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TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1900.

No. 151.

WILLIAM D. HALE, AS RECEIVER OF THE AMERICAN SAVINGS AND LOAN ASSOCIATION, APPOINTED BY THE DISTRICT COURT OF HENNEPIN COUNTY, MINNESOTA, PLAINTIFF IN ERROR,

vs.

L. V. LEWIS, THE TREASURER OF THE STATE OF WISCONSIN, AND M. C. CLARKE, RECEIVER OF THE AMERICAN SAVINGS AND LOAN ASSOCIATION, APPOINTED BY THE CIRCUIT COURT OF DANE COUNTY, WISCONSIN.

IN ERROR TO THE SUPREME COURT OF THE STATE OF WISCONSIN.

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1 STATE OF WISCONSIN:

Supreme Court.

L. V. LEWIS, Respondent,
vs.
AMERICAN SAVINGS & LOAN ASSOCIATION and S. A. Peterson, Treasurer of the State of Wisconsin, Respondents; William D. Hale, as Receiver of the American Savings & Loan Association, Appointed by the District Court of Hennepin County of the State of Minnesota, Appellant.

Petition for Writ of Error.

To the Honorable John B. Cassoday, chief justice of the supreme court of the State of Wisconsin:

The petition of William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, respectfully shows:

That on the 26th day of September, 1899, a final judgment was entered in said supreme court, the same being the tribunal having jurisdiction under the laws of the said State of Wisconsin to render final judgment in all proceedings of such nature, in an action or proceeding wherein this petitioner was appellant and L. V. Lewis, S. A. Peterson, as treasurer of the State of Wisconsin, and M. C. Clarke, as receiver of the American Savings & Loan Association, appointed by the circuit court of Dane county, Wisconsin, were respondents.

That in and by said action or proceeding, wherein said final judgment was entered, it was made to appear that the American Savings & Loan Association was a mutual building association, or-
2 ganized and doing business under the laws of the State of Minnesota, and that said corporation having become insolvent, this petitioner was regularly and duly appointed its receiver by the district court of Hennepin county, Minnesota, for the purpose of collecting the assets of said association and reducing them to possession and distributing them equitably among all the shareholders of said association wheresoever they may reside.

That on the 19th day of April, 1899, there was enacted and approved by the law-making power of the State of Wisconsin a law which provided, among other things, the following:

"No foreign building and loan association shall issue its shares, receive moneys, or transact any business in this State unless such association shall have and keep on deposit with the State treasurer of Wisconsin, in trust for the benefit and security of all its members in this State, securities of the actual cash value of one hundred thousand dollars of the kind mentioned in section 2 of this act, to be approved and accepted by said State treasurer, and held in trust as aforesaid, until all shares of such association held by residents of this State shall have been fully redeemed and paid off by such asso-

ciation, and until its contracts and obligations to persons and members residing in this State shall have been fully performed and discharged."

That at the time of the passage of said act said association had 162 shareholders in the State of Wisconsin, who had become such shareholders prior to the passage of said act, and who were at said time and had been for a long time prior thereto making their regular stated payments to said association in maturity of the stock subscribed for by and issued to them, and who were at the time of the commencement of this action shareholders of said association and citizens of the State of Wisconsin.

That at the time of the enactment of said law and at the time of the commencement of this action said association had shareholders who were citizens and residents of thirty-five different States; that all of said shareholders, including those residing in the State
3 of Wisconsin, had, under their contracts of membership in said association, like rights, privileges, immunities, and liabilities; that said 162 shareholders subscribed for their stock in the same manner and received certificates thereof with like conditions as did all other shareholders of said association wheresoever residing.

That after the enactment of said law above quoted, and prior to the appointment of this petitioner as receiver, the officers and directors of said association, in compliance with the provisions and requirements of said law, deposited with the State treasurer of Wisconsin mortgages belonging to said association of the aggregate value of $145,234; that the shareholders of said association had no knowledge whatever of the delivery of said mortgages to said State treasurer by said officers, nor did they at any time consent thereto or acquiesce therein.

That in this action the circuit court of Dane county, Wisconsin, has appointed a receiver for said association, and the State treasurer of Wisconsin has, pursuant to the order of said circuit court, delivered said mortgages to said receiver, and that said receiver is, under and pursuant to the directions of said court, collecting said mortgages, and has been ordered and directed by said court to distribute the avails thereof to the shareholders of said association residing in the State of Wisconsin.

That the avails of said mortgages will be sufficient to pay to said shareholders residing in Wisconsin dollar for dollar of the amount which they have paid in to said association upon their stock.

That all of the remainder of the assets of said association, which are in the hands of this petitioner as receiver, will not be sufficient to pay to the other stockholders in said association residing
4 in all of the other States a sum to exceed forty cents on the dollar of the amount which they have paid in to said association upon their stock.

And this petitioner further shows that in said proceeding it was claimed and contended by this petitioner that the construction placed upon said law by the circuit court of Dane county and its receiver would have the effect of making the shareholders in said

association residing in Wisconsin preferred shareholders; would give to them a larger proportion of the assets of said insolvent association than by their contracts of membership in said association they agreed to accept in event said association should become insolvent, and give to the shareholders in said association residing in the other States a less proportion of the assets of said insolvent association than by their contracts of membership it was agreed that they should receive in event said association became insolvent.

And this petitioner further shows that in said proceeding it was further claimed and contended by this petitioner that said law was and is inoperative and void in so much as the same is in conflict with section 2 of article 4 of the Constitution of the United States, which provides that citizens of each State shall be entitled to all privileges and immunities of citizens in the several States, whereas under the provisions of said law, as the same is enforced by said court, the citizens of Wisconsin, who are shareholders in said association, are given privileges and immunities which are denied the citizens of other States who are shareholders in said association.

And this petitioner further claimed and contended in said proceeding that said enactment was also contrary to section 10 of article 1, which provides that no State shall pass any law impairing the obligation of contracts, in so much that said law impaired the obligation of the contracts entered into by the 162 shareholders in said association residing in the State of Wisconsin, and the obligation of the contracts entered into by all of the other shareholders of said association residing in the other States when they each became members of and shareholders in said association, in that the said 162 shareholders were, by said law, made preferred creditors and given a priority in the distribution of the assets of said association when it became insolvent.

And this petitioner further shows that in said proceeding it was shown that but for said law the shareholders in said association residing in the State of Wisconsin could not and would not receive any larger proportion of the assets of said insolvent association than was received by the shareholders residing in the other States, but the final judgment and decree of said supreme court of Wisconsin was in favor of the claim of the respondents in said proceeding made upon and under the provisions of said law and against the claim of this petitioner that said law was invalid.

All of which claims and decisions more fully appear by the record of said proceedings now remaining in said supreme court.

Wherefore, inasmuch as your petitioner believes there was manifest error in the said decision of said court against the said several claims of this petitioner, as hereinabove set forth, and in the final judgment in said action or proceeding, which is to the great damage of this petitioner, this petitioner prays that your honor will examine the records in said supreme court of Wisconsin in that behalf, and allow this petitioner a writ of error, to the end that said judgment and record may be brought before the Supreme Court of

the United States, agreeable to the laws of the United States in that behalf enacted.

WILLIAM D. HALE.

HAY & VAN CAMPEN,
Attorneys for Petitioner.

6 STATE OF MINNESOTA, } ss:
County of Hennepin, }

William D. Hale, being duly sworn, on oath states that he is the receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota; that he has subscribed his name to the above and foregoing petition; that he has read said petition and knows the contents thereof, and that the same is true to the knowledge of deponent.

WILLIAM D. HALE.

Subscribed and sworn to before me the 11th day of October, 1899.

[Notarial Seal, Hennepin Co., Minn.]

J. H. VAN CAMPEN,
Notary Public, Hennepin County, Minnesota.

7 [Endorsed:] Original. State of Wisconsin, supreme court. L. V. Lewis, respondent, *vs.* American Savings & Loan Association *et al.*, appellant-. Petition for writ of error. Filed Oct. 13, 1899. Clarence Kellogg, clerk of supreme court, Wis.

8 In the Supreme Court of the United States.

WILLIAM D. HALE, as Receiver of the American Savings & Loan Association, Appointed by the District Court of Hennepin County, Minnesota, Plaintiff in Error,

vs.

L. V. LEWIS, S. A. PETERSON, Treasurer of the State of Wisconsin, and M. C. Clarke, Receiver of the American Savings & Loan Association, Appointed by the Circuit Court of Dane County, Wisconsin, Defendants in Error.

Writ of Error.

UNITED STATES OF AMERICA, *ss:*

The President of the United States to the honorable the justices of the supreme court of the State of Wisconsin, Greeting:

Because in the record and proceedings, as also in the rendition of a judgment of a plea which is in the said supreme court of the State of Wisconsin, before you or some of you, being the highest court of law or equity in the said State in which a decision could be had in the said suit between L. V. Lewis, plaintiff and respondent, and The American Savings & Loan Association and S. A. Peterson, treasurer of the State of Wisconsin, defendants and

respondents, and William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, in the State of Minnesota, intervenor and appellant, wherein was drawn in question the validity of a statute and an authority exercised under the said State, on the ground of
9 their being repugnant to the Constitution and laws of the United States, and the said decision was in favor of such their validity, and manifest error hath happened, to the great damage of the said William D. Hale, as receiver, as by his complaint appears, we, being willing that such error, if any hath happened, should be duly corrected and full and speedy justice done to the parties aforesaid in this behalf, do command you, if judgment be therein given, that then, under your seal, distinctly and openly, you send the record and proceedings aforesaid, with all things concerning the same, to the Supreme Court of the United States, at the Capitol in the city of Washington, together with this writ, so that you may have the same at said place before the justices of said court on the 13th day of November next, that, the record and proceedings aforesaid being inspected, the said Supreme Court may cause further to be done therein to correct that error what of right and according to the laws and customs of the United States should be done.

Witness the Honorable Melville W. Fuller, Chief Justice of the Supreme Court of the United States, the 13th day of October, A. D. 1899.

[Seal U. S. Circuit Court, Western Dist. of Wisconsin.]

F. W. OAKLEY,
Clerk of the Circuit Court of the United States of America for the Western District of Wisconsin,
By F. D. REED, *Deputy.*

The foregoing writ allowed by me this 13th day of October, A. D. 1899, in order to give the Supreme Court of the United States an opportunity to determine the question of jurisdiction, although I have grave doubt as to whether it should be issued.

JOHN B. CASSODAY,
Chief Justice of the Supreme Court of Wisconsin.

10 [Endorsed:] Original. In the Supreme Court of the United States. William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, plaintiff in error, *vs.* L. V. Lewis *et al.*, defendants in error. Writ of error. Filed Oct. 13, 1899. Clarence Kellogg, clerk of supreme court Wis.

STATE OF WISCONSIN, } *ss:*
Supreme Court, }

The return to the within writ appears by the schedule hereto annexed.

The return of the justices of the supreme court of the State of Wisconsin.

CLARENCE KELLOGG, *Clerk.*

11 In the Supreme Court of the United States.

WILLIAM D. HALE, as Receiver of the American Savings & Loan Association, Appointed by the District Court of Hennepin County, Minnesota, Plaintiff in Error,

vs.

L. V. LEWIS, S. A. PETERSON, Treasurer of the State of Wisconsin, and M. C. Clarke, Receiver of the American Savings & Loan Association, Appointed by the Circuit Court of Dane County, Wisconsin, Defendants in Error.

UNITED STATES OF AMERICA:

The President of the United States to L. V. Lewis, the treasurer of the State of Wisconsin, and M. C. Clarke, receiver of the American Savings & Loan Association, appointed by the circuit court of Dane county, Wisconsin, Greeting:

You are hereby cited and admonished to be and appear at the Supreme Court of the United States, to be held at the city of Washington, within thirty days from the date of this writ, pursuant to a writ of error filed in the clerk's office of the supreme court in the State of Wisconsin, in an action wherein William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, is plaintiff in error and you are defendant in error, to show cause, if any there be, why the judgment in said writ of error mentioned should not be corrected and speedy justice should not be done to the parties in that behalf.

Witness the Honorable John B. Cassoday, chief justice of the supreme court of the State of Wisconsin, this 13th day of October, in the year of our Lord 1899.

JOHN B. CASSODAY,
Chief Justice of the Supreme Court of the State of Wisconsin.

12 [Endorsed:] Original. In the Supreme Court of the United States. William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, plaintiff in error, *vs.* L. V. Lewis *et al.*, defendants in error. Citation. Filed Oct. 13, 1899. Clarence Kellogg, clerk of supreme court Wis. Due service of the within citation is admitted this 13th day of October, 1899. Erdall and Swansen, att'ys for L. V. Lewis, def't in error, & M. C. Clark, rec'r, def't in error. E. R. Hicks, att'y gen'l of the State of Wisconsin, att'y for State treasurer, def't in error.

13 Know all men by these presents that we, William D. Hale, as receiver of the American Savings & Loan Association of Minneapolis, Minnesota, as principal, and The American Surety Co. of New York, as surety, are held and firmly bound unto L. V. Lewis, S. A. Peterson, treasurer of the State of Wisconsin, and M. C. Clarke, receiver of the American Savings & Loan Association, appointed by the circuit court of Dane county, Wisconsin, in the full and just

sum of five hundred dollars ($500), to be paid to the said L. V. Lewis, S. A. Peterson, the treasurer of the State of Wisconsin, and M. C. Clarke, receiver of the American Savings & Loan Association, their attorneys, executors, administrators, and assigns; to which payment, well and truly to be made, we bind ourselves, our executors, administrators, successors, and assigns, jointly and severally, by these presents.

Sealed with our seals and dated this 16th day of October, A. D. 1899.

Whereas in the supreme court of the State of Wisconsin, in a suit pending in said court between L. V. Lewis, respondent, and The American Savings & Loan Association, S. A. Peterson, as treasurer of the State of Wisconsin; M. C. Clarke, as receiver of the American Savings & Loan Association, appointed by the circuit court of Dane county, Wisconsin, respondents, and William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, appellant, judgment was rendered against the said William D. Hale, whereby a certain judgment of the circuit court of Dane county, Wisconsin, dismissing said action as to said William D. Hale, and for the costs and disbursements of said suit, was affirmed by said supreme court and awarding judgment against the said Hale for the costs and disbursements of said proceeding, and the said Hale, appellant, having obtained a writ of error and filed the same in the clerk's office of the said supreme court to reverse the judgment in said court, and a
14 citation directed to said L. V. Lewis, S. A. Peterson, and M. C. Clarke, the respondents aforesaid, citing and admonishing them to be and appear at the Supreme Court of the United States, to be held at Washington, on the 13th day of November next:

Now, the condition of the above obligation is such that if the said Hale shall prosecute said writ of error to effect and answer and pay all damages and costs if he fail to make his appeal good, then the above obligation to be void; otherwise to remain in full force and effect.

WILLIAM D. HALE, [SEAL.]
As Receiver of the American Savings & Loan Association.
[SEAL.] AMERICAN SURETY CO. OF N. Y.,
By E. C. COOKE, *Res. Vice-President.*
Attest: C. R. FOWLER, *Res. Assistant Secretary.*

Signed, sealed, and delivered in presence of—
C. H. VAN CAMPEN.
WM. B. HENDERSON.

STATE OF MINNESOTA, } ss:
County of Hennepin, }

Before me, C. H. Van Campen, a notary public within and for the county and State aforesaid, on this 16 day of October, A. D. 1899, personally appeared William D. Hale, the receiver of the American Savings & Loan Association, known to me to be such re-

ceiver and the person named in and who subscribed the foregoing bond as principal, and that he duly acknowledged the same to be his free act and deed as such receiver.

C. H. VAN CAMPEN,
[SEAL.] *Notary Public, Hennepin County, Minn.*

15 [Endorsed:] Copy. In the Supreme Court of the United States. William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, plaintiff in error, *vs.* L. V. Lewis *et al.*, defendants in error. Bond. Approved as to form and sufficiency this 17th day of October, 1899. John B. Cassoday, chief justice of the supreme court of the State of Wisconsin.

16 In the Supreme Court of the United States.

WILLIAM D. HALE, as Receiver of the American Savings & Loan Association, Appointed by the District Court of Hennepin County, Minnesota, Plaintiff in Error,

vs.

L. V. LEWIS, S. A. PETERSON, Treasurer of the State of Wisconsin, and M. C. Clarke, Receiver of the American Savings & Loan Association, Appointed by the Circuit Court of Dane County, Wisconsin, Defendants in Error.

Writ of error to the Supreme Court of the United States.

Assignment of Errors.

The said plaintiff in error, by Eugene G. Hay, his attorney, comes and says that in the record and proceedings in the above-entitled suit in the supreme court of the State of Wisconsin there is manifest error in this:

I.

That said court held the statute of Wisconsin entitled "An act regulating building and loan associations," being chapter 525 of the Laws of Wisconsin for the Year 1889, approved the 19th day of April, 1889, in so far as said law authorized the securities deposited under its provisions with the State treasurer of Wisconsin by a foreign building association, when said association becomes in-

17 solvent, to be distributed to the shareholders of said association who are residents in and citizens of Wisconsin until their claims arising out of their stock in said association are paid in full before the shareholders in said association who are residents in and citizens of other States can be paid anything out of said securities upon their claims arising out of their stock in said association, to be valid and not in conflict with the provisions of the Constitution of the United States, whereas the said act is invalid and contrary to the provisions of the Constitution of the United States on each of the following grounds:

First. That in so authorizing such distribution of said securities said act is contrary to section 2 of article 4 of the Constitution of

the United States, in that it thereby grants privileges and immunities to the citizens of Wisconsin who are shareholders in said foreign building association which are denied to the citizens of the several States, other than the State of Wisconsin, who are shareholders in said association.

Second. That in authorizing such distribution of said securities said act is contrary to the provisions of section 10 of article 1 of the Constitution of the United States, in that it impairs the obligation of a contract in this, that it impairs the obligation of the contracts of membership entered into by each of the shareholders of said foreign building association at the time they became members of and shareholders in said association.

Third. That in authorizing such distribution of said securities said act is contrary to the provisions of section 10 of article 1 of the Constitution of the United States, in that it impairs the obligation of a contract in this, that it impairs the obligation of the contract of 162 shareholders in said association residing in and citizens of the State of Wisconsin who were such shareholders
18 before the passage of said act, in that it gives to them larger rights and interests than they acquired under their contracts of membership when they became members of and shareholders in said association.

II.

Said court held that the securities deposited with the State treasurer of Wisconsin by the officers of the American Savings & Loan Association should, under the provisions of a certain statute of Wisconsin entitled "An act regulating building and loan associations," being chapter 525 of the Laws of Wisconsin for the Year 1889, approved the 19th day of April, 1889, when said association became insolvent, be distributed to the shareholders in said association residing in and who are citizens of the State of Wisconsin until they should receive dollar for dollar of the amount paid in upon their stock in said association before anything should be paid out of said securities to the shareholders in said association residing in and citizens of other States, when said shareholders residing n and citizens of other States could receive out of the remaining assets of said association a sum not to exceed 40 cents upon the dollar of the amount which they had paid in upon their stock in said association. In this the said court erred for the reason that said law is void and in conflict with section 2 of article 4 of the Constitution of the United States, in that it grants privileges and immunities to the citizens of Wisconsin which are denied to citizens of other States, and in conflict with section 10 of article 1 of the Constitution of the United States, in that it impairs the obligation of a contract.

19 III.

The said court held that under and pursuant to the provisions of a certain statute of Wisconsin entitled "An act regulating building and loan associations," being chapter 525 of the Laws of Wiscon-

sin for the Year 1889, approved the 19th day of April, 1889, shareholders residing in and who are citizens of Wisconsin are entitled to priority in payment out of the securities of the American Savings & Loan Association theretofore deposited with the State treasurer of Wisconsin of their claims arising out of their stock in said association when said association became insolvent. In this the said court erred for the reason that said law is void and in conflict with section 2 of article 4 of the Constitution of the United States, in that it grants privileges and immunities to citizens of Wisconsin which are by it denied to the citizens of the other States, and in conflict with section 10 of article 1 of the Constitution of the United States, in this, that it impairs the obligation of the contracts entered into between the American Savings & Loan Association and the 162 shareholders of said association residing in and citizens of Wisconsin who became such shareholders prior to the passage of said law, and impairs the obligation of the contracts entered into by said association with all the shareholders thereof in whatsoever State residing, and impairs the obligation of the contracts entered into by all the shareholders of said association with each other upon becoming shareholders in said association, and impairs the obligation of the contracts entered into between the shareholders of said association and the State of Minnesota.

IV.

As a result of said decision 162 shareholders, residing in and citizens of the State of Wisconsin, who were such shareholders at the time of the passage of a certain statute of the State of Wisconsin entitled "An act regulating building and loan associations," being chapter 525 of the Laws of Wisconsin for the Year 1889, approved the 19th day of April, 1889, will, by virtue of the provisions of said law, receive out of the assets of the insolvent American Savings & Loan Association dollar for dollar of the amount which they paid for their stock in said association, whereas the shareholders of said association residing in and citizens of other States will not receive to exceed 40 cents upon the dollar of the amount paid by them for their stock in said association; that the said court erred in not holding that the said law was void and in conflict with section 2 of article 4 of the Constitution of the United States, in that it grants privileges and immunities to the citizens of Wisconsin not granted to citizens of other States, and in conflict with section 10 of article 1 of the Constitution of the United States, in that it inpairs the obligation of the contracts of said 162 shareholders residing in and citizens of Wisconsin, and of the contracts of all the other shareholders residing in and citizens of Wisconsin, and of the contracts of all the other shareholders in said association, and the contracts made with all of said shareholders in said association by the State of Minnesota in granting to said association its charter.

V.

In deciding said case said court gave effect to a certain statute of Wisconsin entitled "An act regulating building and loan associa-

tions," being chapter 525 of the Laws of Wisconsin for the Year 1889, approved the 19th day of April, 1889. In this the said court erred for the reason that said law, in so far as the same is applicable to the facts of this case, is void and in conflict with section 2 of article 4 of the Constitution of the United States, in that it grants privileges and immunities to the citizens of Wisconsin not
21 granted to citizens of other States, and in conflict with section 10 of article 1 of the Constitution of the United States, in that it impairs the obligations of the contract of the shareholders of the American Savings & Loan Association, entered into by them with said association, with each other, and with the State of Minnesota when they became members of and shareholders in said association.

Wherefore the said plaintiff in error prays that said judgment of the supreme court of the State of Wisconsin be reversed and annulled, and that said plaintiff in error may be restored to all things which he has lost by reason of said judgment, and that said judgment be rendered in favor of said plaintiff in error and against said defendant in error.

EUGENE G. HAY &
C. H. VAN CAMPEN,
Attorney- for Plaintiff in Error.

22 [Endorsed:] Original. In the Supreme Court of the United States. William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, plaintiff in error, *vs.* L. V. Lewis *et al.*, defendants in error. Assignment of errors. Filed Oct. 13, 1899. Clarence Kellogg, clerk of supreme court Wis.

23 Pleas before the supreme court of the State of Wisconsin, at a term thereof begun and held at the capitol, in Madison, the seat of government of said State, on the second Tuesday, to wit, the eighth day, of August, A. D. 1899.

Present: John B. Cassoday, chief justice; John B. Winslow, Roujet D. Marshall, Charles V. Bardeen, and Joshua Eric Dodge, justices.

CLARENCE KELLOGG, *Clerk.*

Be it remembered that heretofore, to wit, on the thirtieth day of August, in the year of our Lord one thousand eight hundred and ninety-nine, came into the office of the clerk of the supreme court of the State of Wisconsin William D. Hale, as receiver of the American Savings and Loan Association, impl'd, &c., and filed in said court his certain notice of appeal according to the statute in such case made and provided, and also the return to such appeal of the clerk of the circuit court of Dane county, in said State, together with the stipulation of the attorneys herein placing cause upon calendar and submitting same upon written assignment of errors filed herewith, without argument, in the words and figures following—that is to say:

24 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association; S. A. Peterson, as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County of the State of Minnesota, Defendants.

Please take notice that William D. Hale, as receiver of the American Savings and Loan Association, one of the defendants above named, hereby appeals to the supreme court of the State of Wisconsin from the judgment rendered by the circuit court of Dane county, entered on the 29th day of July, A. D. 1899, in favor of the plaintiff and said S. A. Peterson, as treasurer, as aforesaid, and M. C. Clarke, as receiver of the American Savings and Loan Association, and against said William D. Hale, as receiver aforesaid, and from the whole and every part thereof.

Dated the 29th day of August, 1899.

HAY & VAN CAMPEN,
Attorneys for William D. Hale, as Receiver of the American Savings and Loan Association.

To Erdall & Swansen, Esqs., attorneys for plaintiff and M. C. Clarke, as receiver of the American Savings and Loan Association, and to E. R. Hicks, Esq., attorney for S. A. Peterson, as treasurer of the State of Wisconsin, and to A. T. Torgeson, clerk of the circuit court for Dane county, Wisconsin.

(Endorsements:) State of Wisconsin. Circuit court, Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Ass'n *et al.* Notice of appeal. Due service of within notice by copy is hereby admitted this 29th day of August, 1899. Erdall & Swansen, attorneys for plaintiff and M. C. Clarke, as receiver of the American Savings and Loan Ass'n. E. R. Hicks, att'y general, attorney for treasurer of State of Wisconsin. Mary Grant, deputy clerk circuit court, Dane county. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court, Wis.

25 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association; S. A. Peterson, as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County of the State of Minnesota, Defendants.

Pursuant to section 3051 of the Wisconsin Statutes for 1898, we hereby waive an undertaking on appeal from the judgment heretofore rendered in this action on the 29th day of July, 1899.

ERDALL & SWANSEN,
Attorneys for M. C. Clarke, as Receiver of the American Savings and Loan Association and Plaintiff.
E. R. HICKS,
Attorney General, Attorney for State Treasurer.

(Endorsements:) Filed and entered, Rec. Book 6, page 368, Aug. 29, 1899. A. T. Torgeson, clerk. Circuit court, Dane county, Wis. Filed Aug. 29, 1899. A. T. Torgeson, clerk. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

26 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

The State of Wisconsin to the said defendants:

You are hereby summoned to appear within twenty days after service of this summons, exclusive of the day of service, and defend the above-entitled action in the court aforesaid, and in case of your failure so to do judgment will be rendered against you according to the terms of the complaint, of which a copy is herewith served upon you.

LEWIS & BRIGGS,
Attorney for Plaintiff, L. V. Lewis, and
W. H. MYLREA,
Attorney General.

Post-office address, Madison, Dane county, Wisconsin.

27 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

The above-named plaintiff, by Lewis & Briggs, his attorneys, and by W. H. Mylrea, as attorney general for the State of Wisconsin, complaining of the defendants, respectfully states and alleges—

That at all of the times hereinafter mentioned the plaintiff was, ever since has been, and now is a resident and citizen of the State of Wisconsin, residing at the village of Sun Prairie, in the county of Dane, in said State of Wisconsin.

That on the fifteenth day of April, 1887, the American Building and Loan Association above named was duly organized and incorporated under and by virtue of the laws of the State of Minnesota as a building and loan association and began business as such building and loan association on the said fifteenth day of April, 1887, having its principal office and place of doing business at the city of Minneapolis, in said State of Minnesota; that the said American Building and Loan Association continued to transact the business of a building and loan association under the name aforesaid until some time in the year 1893, when, as this plaintiff is informed and verily believes, the corporate name of the American Building and Loan Association was duly changed to the American Savings and Loan Association; that the defendant S. A. Peterson is the duly elected, qualified, and acting treasurer of the State of Wisconsin.

That on May 10th, 1888, the said defendant association was duly licensed to transact business in the State of Wisconsin, as
28 provided by statute, and which said license was thereafter duly renewed, until on or about the first day of January, 1894, since which time said defendant association has not been licensed to do business in the State of Wisconsin; that some time prior to the year 1891 the said defendant association duly deposited with the State treasurer of the State of Wisconsin, in trust for the benefit and security of all its members in this State, securities of the actual cash value of one hundred thousand dollars, which said securities so deposited were duly approved and accepted by the then State treasurer of the State of Wisconsin and have since been held in trust by him and his successors in office, under the provisions of the laws of the State of Wisconsin relating to foreign building and loan associations, by which provisions the State treasurers are required to hold the securities aforesaid until all shares of stock in said defendant association held by residents of the State of Wisconsin should have been fully redeemed and paid off by the defendant association and until all contracts and obligations of the de-

fendant association to members and persons residing in the State of Wisconsin should have been fully performed and discharged.

That the said defendant, S. A. Peterson, as treasurer of the State of Wisconsin, now holds in his custody said securities duly deposited by the said defendant association of the face value of one hundred thirteen thousand eight hundred and ninety-one dollars and eighty cents ($113,891.80), which said securities are held by him under the trust aforesaid.

That on the twenty-sixth day of March, 1889, the said Lewis subscribed for five shares of stock in said American Building and Loan Association, each of said shares being of the denomination of one hundred dollars ($100.00), and on the said day this plaintiff became the owner and holder of said five shares of stock, and
29 received certificate number 23883 for five shares of stock of the amount of five hundred dollars ($500.00), which said certificate was duly issued by the said American Building and Loan Association, and duly sealed with its corporate seal, signed and executed on the said twenty-sixth day of March, 1889, by F. P. Rundell, president; Charles S. Sproat, secretary, and F. A. Leslie, recorder; that by the terms and conditions of said certificate and in accordance with the contract of membership this plaintiff paid the sum of seven dollars and fifty cents ($7.50) as and for an admission fee to said association, and was required and agreed to pay to the said association sixty cents ($.60) monthly for each of said shares of stock until such share should be matured or be withdrawn, which said payments were required to be made on or before the twenty-sixth day of each month ensuing the execution and delivery of said certificates; that since the said twenty-sixth day of March, 1889, this plaintiff has duly paid to the said defendant association on or before the twenty-sixth of each and every month the sum of sixty cents ($.60) for each of said shares so held and owned by him, in all, the sum of three dollars ($3.00) monthly, the last payment having been made by this plaintiff on the twenty-sixth day of December, 1895, amounting in all to the sum of two hundred and forty-three dollars ($243.00); that this plaintiff has in all respects duly complied with his contract of membership with said defendant association, and with the terms and conditions of the certificate of membership so issued to him as aforesaid, and with the by-laws, rules, and regulations of the said defendant association, and now is the lawful owner and holder of five shares of stock upon which the sum of two hundred and forty-three dollars ($243.00) has been paid by this plaintiff, as aforesaid.

That, as this plaintiff is informed and verily believes, there are a large number of residents and citizens of the State of Wis-
30 consin who own and hold stock in said defendant association and are legal members and stockholders thereof; that this plaintiff is unable to give the names of such members and stockholders or their post-office address; that this plaintiff is informed and verily believes, and so charges, that said defendant association is insolvent; that a large part of the assets of the said defendant association has been improvidently invested and squandered, and

that on the application of a creditor or creditors of the defendant association, residing in the State of Minnesota, one Major W. D. Hale has been appointed receiver of all the property of the defendant association by the courts of Minnesota in proceedings initiated therein.

That under the provisions of the laws of the State of Wisconsin the defendant association is entitled to withdraw the securities deposited with the State treasurer and substitute other and similar securities therefor; that, as this plaintiff is informed and verily believes, during the year last past the defendant association has so withdrawn a large portion of the securities theretofore duly deposited with the said State treasurer and substituted in their stead other securities; that, as this plaintiff is informed and verily believes, said securities so deposited with the State treasurer consist in large part of mortgages upon real estate, which are likely to depreciate in value unless enforced according to law; that the only property of said association in this State are the securities aforesaid, and that if said securities are not preserved and properly cared for and converted to cash it will be impossible for resident members of said association to recover back moneys paid into said association; that it is necessary for the protection of the rights of this plaintiff and of the members and stockholders in said defendant association who reside in the State of Wisconsin that a receiver for the de-
31 fendant association in the State of Wisconsin should be appointed by this honorable court, in order to ascertain all of the members and stockholders in said association residing in the State of Wisconsin and the amount of their respective claims, and to convert into money the said securities so deposited for their protection, and to distribute the same to such persons as may be entitled thereto, all under the direction and supervision of this court.

That in the meantime and until the further order of the court the defendant S. A. Peterson, as State treasurer, be enjoined and restrained from in any manner parting with the custody and control of the said securities so in his hands as aforesaid, and from permitting any withdrawal or substitution of the same.

Wherefore the plaintiff demands judgment that the securities of the American Savings and Loan Association so held in trust by said S. A. Peterson, as State treasurer of the State of Wisconsin, be sequestrated and distributed among the members and stockholders of said association who are residents of the State of Wisconsin, including this plaintiff, according to law.

That a receiver or receivers to take charge of said securities and convert the same into money be appointed with the usual powers and authority conferred upon receivers in such cases.

That all persons be restrained and enjoined from proceeding in any manner or way to obtain any lien upon said securities and from in any manner interfering with or intermeddling with the said securities, and that if it shall appear necessary and proper to the court that the court shall direct notice to be given in such manner as it shall deem proper, requiring all members and stockholders of the said American Building and Loan Association or the said

American Savings and Loan Association who are residents of the State of Wisconsin to submit their claims and become parties to this action within such reasonable time as may be fixed by
32 the court.

That in the meantime and until the further order of the court the said defendant, S. A. Peterson, be enjoined and restrained from in any manner parting with the custody or control of said securities, and be enjoined and restrained from permitting any withdrawal or substitution of the same, and that the plaintiff have such other and further relief in the premises as may be just and equitable.

LEWIS & BRIGGS,
Plaintiff's Attorneys.
W. H. MYLREA,
Attorney General State of Wisconsin, Counsel.

STATE OF WISCONSIN, } ss:
Dane County, }

L. V. Lewis, being first duly sworn, on oath deposes and says that he is the plaintiff in the above-entitled action; that he has read the foregoing complaint and knows the contents thereof, and that the same are true of his own knowledge, except as to those matters therein stated upon information and belief, and as to those matters he believes it to be true.

L. V. LEWIS.

Subscribed and sworn to before me this 16th day of January, 1896.

H. E. BRIGGS,
Notary Public, Dane Co., Wis.

33 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

On reading and filing the annexed verified complaint herein—

It is hereby ordered that the defendant S. A. Peterson, as treasurer of the State of Wisconsin, be, and he hereby is, enjoined and restrained from in any manner parting with the custody or control of the securities of the American Building and Loan Association or the American Savings and Loan Association now in his hands as such State treasurer, and that he be, and hereby is, enjoined and restrained from permitting any withdrawal or substitution of such securities until the further order of the court herein.

That both of said defendants are hereby ordered to show cause, if

any they have, before the circuit court of Dane county, held at the court-house, in the city of Madison, in such county, on the twenty-seventh day of January, A. D. 1896, at ten o'clock in the forenoon, or as soon thereafter as counsel can be heard, why a receiver or receivers shall not be appointed and all further relief as prayed for in the complaint shall not be granted.

Let a copy of this order be served, with the summons and complaint, as notice to the said defendants of the provisions herein.

By the court:

ROBERT G. SIEBECKER,
Circuit Judge.

Dated this 17th day of January, A. D. 1896.

34 (Endorsements:) State of Wisconsin. Circuit court, Dane Co. L. V. Lewis, pl'ff, *v.* Amer. Savings & Loan Ass'n & S. A. Peterson, as State treas. Copy. Due personal service of a copy of the within summons, complaint, and order to show cause admitted this 17th day of January, 1896. Service admitted. Chas. M. Dow, ass't treasurer. S. A. Peterson, treasurer. Henry Casson, secretary of State of Wisconsin. Filed and entered in Order Book R Feb. 1, 1896. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

35 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. Peterson, as State Treasurer, Defendants.

DANE COUNTY, *ss:*

H. E. Briggs, being first duly sworn, on oath deposes and says that he is one of the attorneys of the plaintiff in this action; that on the 17th day of January, 1896, deponent mailed a duplicate of the summons and complaint and order to show cause in this action in an envelope, with the postage thereon duly prepaid, addressed to "The American Savings and Loan Association, Minneapolis, Minnesota," that being the home office of said association.

H. E. BRIGGS.

Subscribed and sworn to before me this 31st day of January, 1896.

C. F. LAMB,
Notary Public, Dane County, Wisconsin.

(Endorsements:) Copy. State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* The American Savings and Loan Association and S. A. Peterson, as State treasurer, defendants.

Affidavit of service of summons and complaint. Circuit court, Dane county, Wis. Filed Feb. 6, 1896. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

36 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business in the Name of the American Building and Loan Association, and Sewell A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

Now comes the above-named defendant, Sewell A. Peterson, State Treasurer of the State of Wisconsin, by John L. Erdall, assistant attorney general of said State, and for answer to the plaintiff's complaint herein alleges and shows to the court:

That on or about the 7th day of January, 1895, this answering defendant became, ever since has been, and still now is State treasurer of the State of Wisconsin, duly elected and qualified and acting as such.

That prior to the said 7th day of January, 1895, the said defendant association had deposited with the State treasurer of the State of Wisconsin, in trust for the benefit and security of all its members in this State, mortgages on real estate to the amount, at their face value, of 162,934.00 dollars, to be held in trust by said State treasurer, as aforesaid; that the said mortgages were so deposited pursuant to sections 1 and 2 of chapter 525 of the Laws of Wisconsin for the Year 1889; that when this answering defendant succeeded to the office of State treasurer of said State, on said 7th day of January, 1895, there was then so on deposit with the then said State treasurer, and this answering defendant received from his predecessor in office, the said mortgages, amounting to 162,934.00 dollars, at their face value, which said mortgages this answering defendant as such State treasurer, received from his said predecessor in
37 office for the purposes mentioned in said chapter 525 of the Laws of Wisconsin for the Year 1889 as amended by chapter 469 of the Laws of Wisconsin for the Year 1891.

That since the said 7th day of January, 1895, there have been withdrawn by said defendant association from this answering defendant, as such State treasurer, a portion of said mortgages and deposited with him in their place and stead other mortgages on real estate pursuant to and by virtue of said chapter 469, and at the time of the commencement of this action this answering defendant had and still has in his possession the said real-estate mortgages, amounting at their face value to the sum of 145,234.00 dollars, and that he then held and still holds the same in trust for the benefit and security of all the members of said association residing in this State, and until all shares of said defendant association held by residents

of this State shall have been fully redeemed and paid off by said defendant association and until its contracts and obligations to persons and members residing in this State shall have been fully performed and satisfied.

Defendant, further answering, alleges that he is unable to state what is the actual cash value of the said mortgages, but is informed and believes that they are worth much less than their face value.

That, as this answering defendant alleges upon information and belief, there are a large number of members of said defendant association residing in this State and a large number of persons and members residing in this State with whom the said defendant association has contracts and obligations unpaid and unredeemed; that this answering defendant is unable to state the exact number of such members or persons residing in this State, but that some thirty-five members or more have addressed inquiries to the attorney general of said State, its commissioners of insurance, and to this answering defendant respecting the condition of said defend-
38 ant association and the necessary steps to be taken for their protection.

That, as this answering defendant alleges upon information and belief, the said members of said defendant association and persons residing in this State held at the time of the commencement of said action and now hold a large number of shares of stock in said defendant association which have not been redeemed or paid by said defendant association, but to what exact amount this answering defendant is unable to state.

That, as this answering defendant alleges upon snformation and belief, the said association is insolvent, and there are no funds or securities available for the security of said members and persons residing in this State or for the payment or redemption of said shares of stock except the said mortgages so deposited, as aforesaid, with the State treasurer of Wisconsin in trust and now held by this answering defendant in trust for the benefit and security of all the members of said defendant association in this State until its contracts and obligations to persons and members residing in this State shall have been fully performed and discharged.,

Defendant alleges upon information and belief that the said mortgages are 112 in number and range in amounts from two hundred to five thousand dollars each, and are upon lands in the following-named States: Arkansas, Michigan, Minnesota, Kansas, Iowa, South Dakota, Washington, Dakota, Missouri, Montana, Nebraska, Alabama, Indiana, New Mexico, Idaho, California, Texas, Nevada, Virginia, Oregon, Utah, and Wisconsin.

That said defendant association, through the receiver thereof appointed by the Minnesota courts, as alleged in said complaint, may, and this answering defendant fears will, receive payment upon said mortgages or some of them from the makers thereof, to the injury of the members of said defendant association residing in
39 this State, unless restrained by the order of this court, and unless this answering defendant be authorized to execute the

trust imposed on him, as aforesaid, by the collection of the said mortgages for the benefit of the said members and persons residing in this State.

This answering defendant further alleges upon information and belief that in order to execute the trust reposed in him by said chapter 525 and said chapter 469, and in order to protect the said members and persons residing in this State, it will be necessary for him to collect and convert into money the said mortgages so held in trust by him, as aforesaid, or a large portion of them, and that he have the authority of the court so to do.

That this answering defendant pleads and alleges the foregoing facts as a counter-claim to the plaintiff's complaint herein.

Wherefore this answering defendant prays that he be authorized and directed by this court to execute the trust reposed in him, as aforesaid, by collecting and converting into cash the said mortgages, or so many thereof as shall be necessary in order to redeem and pay the shares of the members of said association residing in this State, and to pay the contracts and obligations of the said association to its said members and persons residing in this State for whose security and benefit the said mortgages were so deposited with the said State treasurer of the State of Wisconsin, and that the said defendant association be enjoined by the order of this court from attempting to collect any of the said mortgages and from receiving any payments thereon through its said receiver appointed in Minnesota or otherwise.

That all persons be restrained and enjoined from proceeding in any manner or way to obtain any lien upon said securities, and from in any manner interfering with or intermeddling with the said securities, and that if it shall appear necessary and proper to the court, the court shall direct notice to be given in such manner as it shall deem proper, requiring all members and stockholders of the said American Building and Loan Association or the said American Savings and Loan Association who are residents of the State of Wisconsin to submit their claims and become parties to this action within such reasonable time as may be fixed by the court, and that this answering defendant have such other and further relief in the premises as may be just and equitable.

JOHN L. ERDALL,
Assistant Attorney General for the State of Wisconsin.

STATE OF WISCONSIN, }
Dane County, } *ss:*

Sewell A. Peterson, being first duly sworn, says that he is the State treasurer of the State of Wisconsin, and is the defendant above named; that he has heard read the foregoing answer and knows the contents thereof, and that the same is true to his own knowledge, except as to those matters therein stated upon information and belief, and as to those matters he believes it to be true.

SEWELL A. PETERSON.

Subscribed and sworn to before me this 5th day of February, A. D. 1896.

JOHN L. ERDALL,
Notary Public, Dane County, Wisconsin.

(Endorsements:) State of Wisconsin, circuit court for Dane county. L. V. Lewis, plaintiff, *v.* The American Savings and Loan Association and Sewell A. Peterson, defendants. Answer of Sewell A. Peterson. Due service of the within answer admitted this 5th day of Feb., 1896. Lewis & Briggs, att'ys for pl'ff, L. V. Lewis. Circuit court, Dane county, Wis. Filed Feb. 6, 1896. C. E.
41 Parish, clerk. Copy. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

42 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

The above-named plaintiff, for a reply to the counter-claim interposed in this action by the defendant S. A. Peterson, as State treasurer of the State of Wisconsin, respectfully states and alleges:

The plaintiff denies that in order to execute the trust reposed in the said S. A. Peterson, as State treasurer, by chapter 525 of the Laws of Wisconsin for the Year 1889, and chapter 469 of the Laws of the State of Wisconsin for the Year 1891, which said trust is set forth in the complaint in this action and in said counter-claim, and that in order to protect the members and persons residing in the State of Wisconsin who are stockholders, members, or creditors of the defendant association, it is or will be necessary for the said defendant, S. A. Peterson, to collect and convert into money the mortgages held by him under said trust or any portion of them. The plaintiff denies that said defendant, S. A. Peterson, ought or should have the authority of the court so to do.

And the plaintiff denies that any trust whatsoever is reposed in the said defendant, S. A. Peterson, as State treasurer, by said chapters that the defendant is required to execute, and alleges that the said S. A. Peterson, as State treasurer, is a mere custodian of the mortgages and is not authorized or required by law to collect and convert into money the same.

LEWIS & BRIGGS,
Plaintiff's Attorneys.

43 [Endorsed:] (Copy.) State of Wisconsin, circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* The American Savings and Loan Ass'n, formerly doing business as the American Bldg and Loan Ass'n, and S. A. Peterson, as treasurer of the State of Wisconsin, defendants. Reply of plaintiff to defendant's S. A. Peterson counter-claim. Service of a copy of the within reply is admitted this 4th day of Feb'y, 1896, and verification of the same is hereby waived. W. H. Mylrea, att'y gen. Lewis & Briggs, plaintiff's attorneys. Circuit Court, Dane Co., Wis. Filed March 4, 1896. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

44 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,

vs.

THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

Whereas the only issue between the plaintiff, L. V. Lewis, and the defendant S. A. Peterson, as treasurer of the State of Wisconsin, is that raised by the complaint and counter-claim of the said S. A. Peterson, as such treasurer, and the plaintiff's reply to said counter-claim, which said issue is the construction of chapter 525 of the Laws of Wisconsin for the Year 1889 as amended by chapter 469 of the Laws of Wisconsin for the Year 1891, and being the question under said chapters whether the said defendant, S. A. Peterson, as such State treasurer, is a naked trustee of the securities deposited with him by the defendant association, or whether the said defendant, S. A. Peterson, as such State treasurer, is charged with active duties under said chapters as such trustee in relation to the same, and whether a receiver can properly be appointed to take charge of said securities as prayed for in the complaint, and the said defendant, S. A. Peterson, as such State treasurer, can legally and properly turn over to a receiver of this court the securities so held by him;

And whereas said questions could be raised and determined by a demurrer *ore tenus* to the plaintiff's complaint, and the parties being desirous of avoiding delay in the matter:

Now, therefore, it is hereby stipulated and agreed by and between the plaintiff, L. V. Lewis, by his attorneys, Lewis & Briggs,
45 and the defendant, S. A. Peterson, as State treasurer, by W. H. Mylrea, attorney general of the State of Wisconsin, and John L. Erdall, assistant attorney general, that the questions aforesaid be submitted to the court upon the complaint, counter-claim, and reply at the time of the hearing of the order to show cause granted in the above-entitled action, to wit, on the 5th day of February, A. D. 1896.

Dated at Madison, Wisconsin, this 4th day of February, A. D. 1896.

LEWIS & BRIGGS,
Plaintiff's Attorneys.
W. H. MYLREA, *Att'y Gen., and*
JOHN L. ERDALL,
Ass't Att'y Gen.,
Attorneys for Defendant S. A. Peterson, as State Treasurer.

(Endorsements:) Copy. Circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Ass'n *et al.*, defendants. Stipulation submitting issue. Circuit court, Dane Co., Wis. Filed Feb'y 4th, 1896. C. E. Parish, clerk. Rule Book E, page 232. Filed June 25, 1897. Clarence Kellogg, clerk supreme court Wis. Filed August 30, 1899. Clarence Kellogg, clerk supreme court Wis.

46 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

The application of the plaintiff in the above-entitled action for a receiver and for an injunction according to the prayer of the complaint this day coming on to be heard and Lewis & Briggs appearing for the plaintiff and W. H. Mylrea appearing as attorney general of the State of Wisconsin, and it appearing to the court that the summons and complaint and order to show cause in this action *was* duly served upon the defendants according to law, and the court being sufficiently advised in the premises, on motion of the attorneys for the plaintiff—

It is ordered, adjudged, and decreed by the court that M. C. Clarke be, and he hereby is, appointed receiver of this court of the American Savings and Loan Association, formerly doing business as the American Building and Loan Association, in the State of Wisconsin, and of the property and securities heretofore deposited by the said association under the provisions of chapter 525 of the Laws of the State of Wisconsin for 1889 with the treasurer of the State of Wisconsin and now held by the defendant S. A. Peterson, as such treasurer, under the trust declared by said act.

That the said receiver be, and he hereby is, fully authorized, empowered, and directed to take immediate possession of all and singular the bonds, stock, mortgages, and other securities of whatsoever name or nature now held by the said defendant, S. A. Peterson, as said treasurer, and deposited with him or with his prede-
47 cessors in office by the said The American Savings and Loan Association or The American Building and Loan Association

under any provisions of the laws of the State of Wisconsin, and the said defendant, S. A. Peterson, upon the demand of the said receiver, is hereby ordered to deliver to such receiver all such securities so held by him, and the said receiver is hereby ordered and directed to enforce and collect said securities, and to convert the same into money according to law, and for the fulfillment of the trust under which they have heretofore been held by the treasurer of the State of Wisconsin, and to distribute the same among such persons as may by the court be found to be entitled thereto in such manner and such proportions as may be ordered by the court.

And the said receiver is hereby fully authorized and empowered to institute and prosecute all such suits, actions, and proceedings as may be necessary in his judgment for the protection, enforcement, and collection of said securities; likewise to defend all such suits, actions, or proceedings as may be instituted against him as such receiver; also to appear in and conduct the prosecution or defense of any suits, actions, or proceedings now pending in any court or before any officer, department, or tribunal in which said securities or any of them may be involved, the prosecution or defense of which will in the judgment of said receiver be necessary for a proper discharge of his duties as such receiver of the property placed in his charge or for the interest of creditors connected therewith.

That the said receiver is hereby ordered and directed to give notice to all members and stockholders of the said The American Savings and Loan Association or The American Building and Loan Association who are residents of the State of Wisconsin of his appointment by this court as such receiver by causing a notice thereof to be published once in each week for four consecutive weeks
48 in the Wisconsin State Journal, a newspaper published at the city of Madison, in the State of Wisconsin; in the Milwaukee Sentinel, a newspaper published at the city of Milwaukee, in the State of Wisconsin; in the Leader, a newspaper published at the city of Eau Claire, Wisconsin, and in the Daily Leader, a newspaper published at the city of Superior, in the State of Wisconsin; which said notice shall require all members and stockholders of the said The American Savings and Loan Association, formerly doing business under the name of The American Building and Loan Association, who are residents of the State of Wisconsin, to submit their claims against said association and become parties to this action within three months from the date of the first publication of said notice, which said period of three months is hereby declared a reasonable time within which to submit such claims, a copy of which said notice shall likewise be mailed by said receiver to each resident of the State of Wisconsin known to said receiver to be a member or stockholder of said association, and said receiver shall give said notice notwithstanding any person or persons adversely interested or feeling aggrieved by this order shall appeal from the same.

It is further ordered that all persons be, and they hereby are, restrained and enjoined from proceeding in any manner or way to obtain any lien upon said securities or the indebtedness represented thereby, and from in any manner interfering with the said receiver

in his enforcement, collection, and handling of the same, and the obligors in said securities are hereby restrained and enjoined from making any payments either on principal or interest to any person, officer, or corporation, except the said receiver of this court.

It is further ordered that said receiver be, and he hereby is, vested, in addition to the powers aforesaid, with all the general powers
49 of a receiver in cases of this kind, subject to the supervision of this court.

That said receiver is hereby further required, within three days from the date of this order, to file with the clerk of this court a duly executed bond with sureties to be approved by this court in the penal sum of one hundred and twenty-five thousand dollars ($125,000) conditioned for the faithful discharge of his duties and for his accounting for all funds coming into his hands as such receiver.

And it is further ordered that the said receiver shall retain possession and continue to discharge his duties as such until the further order of this court in the premises; that the said receiver keep account of all moneys received and paid out by him in the execution of his trust, and that at the expiration of the period within which resident members and stockholders of said association may submit their claims and become parties to this action he shall report to the court the names of the persons so submitting their claims and becoming parties to this action, together with the amounts claimed due to each, and together with his approval or disapproval of the correctness of such claims.

And it is further ordered that an injunction be issued against the said The American Savings and Loan Association, formerly doing business under the name of The American Building and Loan Association, and all persons claiming to act by, through, or under it, and against all creditors and other persons, enjoining and restraining them and each of them from interfering with the said receiver taking possession of and handling the said property as hereinbefore provided.

Dated February 5th, A. D. 1896.

By the court:

ROBERT G. SIEBECKER,
Circuit Judge.

50 (Endorsements:) State of Wisconson. Circuit court, Dane county. L. V. Lewis, plaintiff, *vs.* The American Savings and Loan Association *et al.*, defendants. Order appointing receiver. Filed and entered in Order Book "R," page 126, Feb. 6, 1896. C. E. Parish, clerk.

51 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

Please take notice that the original order appointing a receiver in the above-entitled action, of which a copy has this day been served upon you, was filed in the office of the clerk of the circuit court for Dane county on the 7th day of February, A. D. 1896, and entered by said clerk on said day.

LEWIS & BRIGGS,
Plaintiff's Attorneys.

To W. H. Mylrea and John L. Erdall, representing S. A. Peterson, as State treasurer.

(Endorsements:) (Copy.) State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *v.* The American Savings and Loan Ass'n, formerly doing business as the American Bldg. and Loan Ass'n, and S. A. Peterson, as treasurer of the State of Wisconsin, defendants. Notice of filing and enter of order appointing receiver. Service of a copy of the within notice and of the order appointing receiver admitted this 7th of Feb'y, 1896. W. H. Mylrea, att'y gen. Time for filing exceptions, if necessary, extended ten days from this 21st of Feb'y, 1896. Lewis & Briggs, plaintiff's attorneys. Original filed in circuit court, Dane Co., Wis., March 4, 1896. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

52 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

DANE COUNTY, *ss:*

Harry E. Briggs, being first duly sworn, on oath deposes and says that on the 7th day of February, A. D. 1896, he duly and personally served a copy of the order appointing a receiver in the above-entitled action, etc., upon Henry Casson, secretary of the State

of Wisconsin, and S. A. Peterson, treasurer of the State of Wisconsin, by delivering to and leaving with each of them a true copy of said order, and that on the same day deponent mailed a copy of said order, in an envelope with the postage thereon duly prepaid, and without any direction thereon for the return of the same in case of the non-delivery thereof, addressed to "The American Savings and Loan Association, Minneapolis, Minnesota," that being the home office of the said association.

H. E. BRIGGS.

Subscribed and sworn to before me this 7th day of February, A. D. 1896.

M. C. CLARKE,
Notary Public, Dane County, Wisconsin.

(Endorsements:) State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *v.* The American Savings and Loan Association, formerly doing business under the name of the American Bldg. and Loan Ass'n, and S. A. Peterson, as treasurer of the State of Wisconsin, defendants. Affidavit of service of order appointing receiver. Original filed in circuit court for Dane county this Feb. 8, 1896. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis.

53 STATE OF WISCONSIN:

Circuit Court, Dane County.

L. V. LEWIS
against
THE AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. Peterson, as Treasurer of the State of Wisconsin.

Please take notice that I have been retained by and appear for the defendant The American Savings and Loan Association in the above-entitled action and demand that a copy of the plaintiff's complaint therein and the order appointing a receiver be served upon — at my office, 524 Boston block, Minneapolis, Minn.

Yours, &c.,
F. B. HART,
Attorney for Defendant.

Dated Feb'y 11, 1896.

To Lewis & Briggs, attorneys for plaintiff.

(Endorsements:) Copy. State of Wisconsin. Circuit court for Dane county. L. V. Lewis *v.* American Savings and Loan Ass'n *et al.* Notice of appearance and demand of copy of complaint. American Savings and Loan Ass'n. Circuit court, Dane county, Wis. Filed Feb. 12, 1896. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

54 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

William D. Hale respectfully represents to the court that he is a citizen and resident of the city of Minneapolis and State of Minnesota, and that heretofore, to wit, on the 14th day of January, 1896, he was duly appointed by the district court of Hennepin county, upon the *ex parte* application of the attorney general in the name of the State of Minnesota, a receiver of said court for the American Savings and Loan Association, a corporation organized under the building and loan association laws of the State of Minnesota and having its principal place of business in the city of Minneapolis, in said State.

That thereafter said association joined issue with the State of Minnesota in said court upon said application for a receiver, which issue was tried by said court, resulting in its decision in favor of said State, and thereafter appealed to the supreme court of the State of Minnesota, which court, upon appeal, affirmed the decision of the district court, which district court, after a final hearing and being fully advised, did, on the 18th day of June, 1896, appoint this petitioner a permanent receiver for said association, with authority to take charge of all of the property of said association, and, after reducing the same to possession, to distribute the proceeds equitably among all of the shareholders and creditors thereof, wherever resident; that said association had stockholders
55 in thirty-five States of the Union, held mortgages on real estate in twenty-nine States, and owned real estate in nineteen States; that prior to his appointment last above mentioned as a permanent receiver, and pending the final determination of the action between said State and said association, he did no more than to conserve the interest of all parties and preserve and take care of the property of the association; that since said appointment as a permanent receiver, on the 18th day of June, 1896, he has been very busy in ascertaining the condition of the property of said association and filing the claims of the shareholders, which said work has required a very large and varied correspondence with persons in every part of the United States. Petitioner further says that he found pending when he assumed the duties of his said office a very large number of actions at law to which said association was a party, both in Minnesota and in many of the other States of the Union, and that it has required all of the time of his attorney in protecting the interests of said association in the said actions.

Your petitioner would further represent that the above-entitled

action was commenced on the 17th day of January, A. D. 1896, after he had been appointed by said district court of Hennepin county a temporary receiver for said American Savings and Loan Association, and that he was not made a defendant in said action.

That since his appointment as a permanent receiver for said association, on the 18th day of June, 1896, the said association, by its proper officers, has duly conveyed to him title to all of the real estate owned by said association wheresoever situate, and duly assigned to him all of the mortgages and other property owned by said association wheresoever the same may be found, including the mortgages referred to and described in plaintiff's complaint.

Your petitioner would further represent that said association was a mutual building and loan association, and that under its
56 charter and its certificates of membership the interest, liability, rights, and privileges of each of its shareholders were identical, of whatsoever State the said shareholder might have been a resident. He would therefore respectfully represent to the court that the controversy between the parties plaintiff and defendant in the above-entitled action cannot be determined without prejudice to his rights and the rights of the many shareholders in said association whom he represents, and that the complete determination of said controversy cannot be had without his presence as a party defendant in said action, and that he, as a general receiver for the property of the American Savings and Loan Association, has such an interest in the mortgages referred to in the plaintiff's complaint in said action as requires that he should be made a party for the due protection of the same.

He would therefore respectfully petition this honorable court to make its order requiring that he be made a party defendant in said action, and be permitted to file his answer setting up his rights therein, and given reasonable time within which to file the same.

WILLIAM D. HALE.

Subscribed and sworn to before me this 11th day of January, A. D. 1897.

E. M. VAN CLEVE,

[SEAL.] *Notary Public, Hennepin County, Minnesota.*

EUGENE G. HAY,
Att'y for Wm. D. Hale.

(Endorsements:) (Copy.) State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *v.* The American Savings and Loan Association *et al.*, defendants. Petition of William D. Hale to be made party defendant in the above-entitled action. Circuit court, Dane county, Wis. Filed Jan. 13, 1897. C. E. Parish. Eugene G. Hay, att'y for Hale. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

57 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

The above-entitled matter coming up for hearing upon the petition of William D. Hale, the general receiver of the American Savings and Loan Association, appointed by the district court of Hennepin county and State of Minnesota to be made a party defendant in this action, the plaintiff L. V. Lewis being represented by Messrs. Lewis & Briggs, his attorneys, and M. C. Clark, the receiver heretofore appointed by this court, being represented by Lewis, Briggs & Dudgeon, his attorneys, and S. A. Peterson, treasurer of the State of Wisconsin, being represented by W. H. Mylrea, as attorney general of Wisconsin, and all of said parties waiving notice of this hearing and giving, in open court, their consent to the granting of said petitions; and it appearing to the satisfaction of the court that a complete determination of the controversy in this action cannot be had without the presence of said petitioner as a party thereto, and that he, the said petitioner, has such an interest in the subject-matter of the controversy as to require him to be made a party for the due protection thereof:

It is therefore ordered by the court that the said William D. Hale, general receiver of the American Savings and Loan Association, appointed by the district court of Hennepin county and State of Minnesota, be made a party defendant in this action, and that he
58 is hereby given permission to file his answer to the complaint herein on or before the first day of February, A. D. 1897.

By the court:

ROBERT G. SIEBECKER, *Judge*.

Dated this 13th day of January, A. D. 1897.

(Endorsements:) Copy. State of Wisconsin. Circuit court, Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Association and S. A. Peterson, as State treasurer, def'ts. Order of court making W. D. Hale party defendant. Original filed and entered in Order Book S, page 164, Jan. 13, 1897. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

59 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County in the State of Minnesota, Defendants.

Answer of William D. Hale, as Receiver of American Savings and Loan Association.

The defendant William D. Hale, having heretofore petitioned this court to be made a defendant in the above-entitled action, and this court having heretofore filed its order directing that said Hale be made a defendant in said action, and requiring him to file his answer on or before the first day of February, 1897, for his answer to the plaintiff's complaint herein—

Admits that the plaintiff is and has been a resident and citizen of the State of Wisconsin, as in said complaint alleged.

Admits that the American Savings and Loan Association was duly licensed by the State of Wisconsin to do business in said State in the year 1889, which said license was continued from time to time thereafter until the first day of January, 1894, since which time said association has not been licensed to do business in said State of Wisconsin, as in said complaint alleged.

Admits that on the 26th day of March, 1889, the plaintiff herein subscribed for and became the owner of five (5) shares of the stock of said association, as in said complaint alleged, and that he
60 made his regular payments on said stock, as in said stock subscription he promised and agreed to do, on the 26th day of every month up to and including the 26th day of December, 1895, as in said complaint alleged, and that said plaintiff did in all respects comply with his contract of membership with said association, and with the terms and conditions of the certificate issued to him, and with all the by-laws, rules, and regulations of said association, and was and is the lawful owner and holder of five (5) shares of the stock of said association upon which the sum of $243.00 has been paid by said plaintiff.

Admits that the defendant S. A. Peterson was and is the treasurer of the State of Wisconsin, and *that* at the time of the making and filing of the plaintiff's complaint herein held in his possession certain mortgages of the defendant association under conditions hereinafter more fully set out and described.

For further answer and counter-claim herein, this defendant alleges—

That the American Savings and Loan Association was at the times mentioned in plaintiff's complaint a mutual building and

loan association organized and doing business by virtue of the laws of the State of Minnesota; that said association was originally incorporated under said laws on the 15th day of April, 1887, as the "American Building and Loan Association," and thereafter, to wit, on the 26th day of June, 1892, duly changed its name to "American Savings and Loan Association," without altering, affecting, relinquishing, or surrendering any of its rights, powers, privileges, immunities, or liabilities, and ever since up to the 14th day of January, 1896, did continue to conduct and carry on the business of a mutual building association under said last name in the city of Minneapolis, in the State of Minnesota; that at the time of the organization and incorporation of said association it duly made,

61 filed, and published its articles of incorporation, a copy of which said articles of incorporation is attached hereto, marked Exhibit "A," and it is asked that the same be made a part of this answer as fully and completely as if copied *in extenso* herein.

That thereafter, to wit, on the 31st day of July, 1888, said association duly adopted amended articles of incorporation and duly filed and published the same, a copy of which said amended articles is attached hereto, marked Exhibit "B," and it is asked that the same be made a part of this answer as fully and completely as if copied *in extenso* herein.

That, among other amendments made at said time in said amended articles of incorporation, said association did amend said articles by adding thereto the nineteenth article, which reads as follows:

"The board of directors may sell and dispose of the mortgages held by this corporation whenever they may deem best, and as provided by the by-laws."

That upon said 31st day of July, 1888, the stockholders of said association duly adopted a full and complete set of by-laws, which were approved by the public examiner of the State of Minnesota, which said by-laws amended and took the place of all other by-laws, a copy of which said by-laws is attached hereto, marked Exhibit "C," and it is asked that the same be made a part of this answer as fully and completely as if copied *in extenso* herein.

That in said by-laws there was no provision whatever for selling or disposing of the mortgages of the association.

That thereafter, to wit, on the 13th day of March, 1890, said board of directors of said association regularly and duly amended said by-laws, which were approved by the public examiner of Minnesota, a copy of which said by-laws, as amended, is attached hereto, marked Exhibit "D," and it is asked that the same be made a part of this answer as fully and completely as if copied *in extenso* herein.

62 That thereafter, to wit, on the 12th day of June, 1891, said board of directors of said association regularly and duly amended said by-laws and duly filed said amended by-laws in the office of the public examiner of the State of Minnesota, a copy of which said by-laws, as amended, is attached hereto, marked Ex-

hibit "E," and it is asked that the same be made a part of this answer as fully and completely as if copied *in extenso* herein.

That thereafter, to wit, on the 14th day of May, 1892, said board of directors of said association regularly and duly amended the said by-laws and duly filed said amended by-laws in the office of the public examiner of the State of Minnesota, a copy of which said amended by-laws is attached hereto, marked Exhibit "F," and it is asked that the same be made a part of this answer as fully and completely as if copied *in extenso* herein; that said by-laws were never thereafter amended.

That in said amended by-laws, marked Exhibits "D," "E," and "F," there is no provision whatever for selling and disposing of the mortgages of said association.

That on the 11th day of July, 1889, said association, at a regular meeting of its board of directors, duly amended its articles of incorporation by amending section 19 thereof so that the same would read as follows:

"The board of directors shall not sell or dispose of any of the mortgages held or owned by this corporation."

That said amendment to said articles of incorporation was made by said association in full and complete compliance with the provisions of the laws of the State of Minnesota relative to the amendment of the articles of incorporation of building associations, to wit, section 16, chapter 236, of the General Laws of the State of Minnesota for 1889, which said section 16 reads as follows, to wit:

63 "SECTION 16. Any building and loan association heretofore or hereafter incorporated under the laws of this State may at any time increase the amount of its capital stock, or amend its articles of incorporation in any other respect by a vote of at least three-fourths of its board of directors. Provided, that no such increase shall be made unless three-fourths of the capital stock previously authorized has actually been issued and the amount of increase made at any one time shall not exceed the amount issued previous to the time of such increase."

That the first act passed by the legislature of the State of Minnesota relating to building, loan, and savings associations was approved and became a law on the 22nd day of April, 1889, and is chapter 236 of the General Laws of Minnesota for the Year 1889; that section 6 of said chapter reads as follows:

"Every building and loan association heretofore or hereafter incorporated under the laws of this State, and governed by this act, shall deposit and keep with the State auditor, or with a duly chartered trust company of this State, approved by the public examiner, in trust for all its members and creditors, all mortgage or other securities received by it in the usual course of business. When deposited with a trust company, such company shall certify to the auditor the possession of such securities and the same shall not be surrendered without the authority or sanction of the auditor. Provided, that every such corporation heretofore organized, not having or owning mortgage or other securities to the amount of twenty-five

thousand dollars ($25,000) shall deposit with the State auditor additional securities, to make, with the securities so owned and deposited, equal in value to said sum of twenty-five thousand dollars ($25,000), and every such corporation hereafter organized under this act, shall deposit and keep with the State auditor in trust as aforesaid,
64 securities of the value of twenty-five thousand dollars ($25,000) before commencing to do business. The securities mentioned in this proviso shall consist of bonds or Treasury notes of the United States or national-bank stocks, or of any solvent city, county or town of this State or any other State of the United States, having the legal authority to issue the same, and such securities may be withdrawn from time to time when mortgage securities of corresponding value shall be deposited, as provided in this act, or when other securities of like character are substituted therefor, and it shall be the duty of the public examiner from time to time to examine said association to ascertain whether all its securities are deposited as required by this act.

"Provided, that whenever required by the laws of any other State, Territory or nation, all securities taken in such State by any association organized under the laws of this State, and subject to the provisions of this act, may be deposited with some officer authorized to receive the same in such State under the laws thereof, for the benefit of its members and creditors, but in every such case a certificate of such depository showing the amount and character of such deposits, shall be filed with the auditor of this State, and renewed annually, together with a statement verified by the affidavit of some officer of such association who has knowledge of the facts, showing all of the securities taken by such association in such State at the time of the filing of such certificate, and in case any securities taken in any such State are not deposited there, then the same shall be deposited here as required by this act."

That the above and foregoing is the only provision of said law relative to the deposit of securities by building associations organized under the laws of Minnesota in other States.

That at the biennial session of the legislature of the State of Minnesota for the year 1891 said section 6 of said law was amended so as to read as follows:

65 "Every building and loan association heretofore or hereafter incorporated under the laws of this State and governed by this act shall deposit and keep with the State treasurer, or with a duly chartered trust company of this State, approved by the public examiner, in trust for all its members and creditors, all mortgages or other securities received by it in the usual course of its business. When deposited with a trust company, such company shall certify to the public examiner the possession of such securities, and the same shall not be surrendered without the authority and sanction of the said public examiner. Provided, that every such corporation heretofore organized not having or owning mortgage or other securities to the amount of twenty-five thousand dollars ($25,000) shall deposit with the State treasurer additional securities to make, with the securities so owned and deposited, the sum of

twenty-five thousand dollars ($25,000), and every such association hereafter organized under this act shall deposit and keep with the State treasurer in trust as aforesaid, securities of the value of twenty-five thousand dollars ($25,000) before commencing to do business. The securities mentioned in this provision shall consist of bonds or Treasury notes of the United States, or national bank stocks, or the bonds of this State, or of any other State of the United States, or of any solvent city, county or town of this State or of any other State of the United States, having the legal authority to issue the same, and such securities may be withdrawn, from time to time when mortgaged securities of corresponding value shall be deposited as provided in this act, or when securities of like character are substituted therefor, or when the same shall have been paid or are required for foreclosure or suit; and it shall be the duty of the public examiner from time to time to examine such association to ascertain whether or not its securities are deposited as required by this act.

66 "Provided, that whenever required by the laws of any other State or Territory, or nation, all securities taken in such State, Territory or nation, organized under the laws of this State and subject to the provisions of this act, and other securities sufficient to allow such association to enter and do business in such State, Territory or nation, may be deposited with some officer authorized to receive the same in such State, Territory or nation, under the laws thereof, to the benefit of its members and creditors; and to this end, upon the presentation to the public examiner of a duly authenticated copy of a resolution of the board of directors of any such association, having on deposit with the State treasurer or a duly chartered trust company securities in excess of $25,000, demanding the transfer and specifying the securities to be transferred, or the amount thereof, to any other State, Territory or nation, for the purpose of enabling such association to comply with the laws thereof, it shall be the duty of the public examiner to cause such transfer to be made, the expense of making such transfer shall be borne by the association requiring the same, and a receipt shall be taken by the officer or trust company making the transfer, and filed and kept in the office from which the securities are transferred in lieu thereof. But the securities kept on deposit in this State by any such association, as required by this act, shall at no time be reduced in amount by such transfer, or otherwise, below $25,000; and in every case where securities taken in another State, Territory or nation are deposited in such State, Territory or nation, or when other securities are removed from this State to such other State, Territory or nation for the purpose aforesaid, the association to which they belong shall make a certificate of such depository, showing the amount and character of such deposit which certifi-

67 cate shall be filed with the public examiner, and renewed annually, together with statement, verified by the affidavit of some officer of such association who has knowledge of the facts, showing all the securities taken or deposited by such association in such State, Territory or nation, at the time of the filing of such cer-

tificate; and, in case any securities taken in such State, Territory or nation are not deposited there, then the same shall be deposited in this State as required by this act."

That said last above quoted provision went into force on June 1st, 1891, and has been the law of the State of Minnesota ever since, being section 2860 of the statutes of Minnesota for 1894.

That the above and foregoing provisions of the laws of the State of Minnesota were not complied with by said American Building and Loan Association or said American Savings and Loan Association, but that on the 29th day of August, 1891, and on the 16th day of February, 1892, and on the 20th day of September, 1892, and on the 8th day of December, 1893, the said association, through its president and secretary, made its request of the public examiner of the State of Minnesota to be permitted to withdraw certain of its mortgages on deposit with the State treasurer of the State of Minnesota for the purpose of depositing the same with the State treasurer of the State of Wisconsin, copies of which request are attached hereto, marked Exhibit "G."

That the said public examiner gave his permission that the said mortgages specified in said requests marked Exhibit "G" might be withdrawn by said association, and the same were withdrawn from the State treasurer of the State of Minnesota.

That the mortgages belonging to the American Savings and Loan Association in the possession of said State treasurer, S. A. Peterson, at the time of making and filing of plaintiff's complaint herein aggregated in value the sum of $145,234.

68 That prior to the 11th day of July, 1889, there *was* delivered to said S. A. Peterson mortgages of said association aggregating in value the sum of $103,060, of which there remained in his hands at the time of making and filing of plaintiff's complaint, as a part of the mortgages first above stated, mortgages aggregating in value the sum of $20,784, which said mortgages are more fully described in a list attached hereto, marked Exhibit "H."

That between the 11th day of July, 1889, and the first day of January, 1894, there *was*, of the mortgages above stated as in the possession of said State treasurer at the time of the making and filing of plaintiff's complaint, delivered to him at various times mortgages aggregating in value the sum of $80,850.00, which said mortgages delivered between said dates are more fully described in the list attached hereto, marked Exhibit "I," and that after said first day of January, 1894, there was delivered to said State treasurer the remainder of said mortgages which were in his possession at the time of the making and filing of said complaint, aggregating in value of $43,600, the description of which said mortgages will more fully appear from the list attached hereto, marked Exhibit "J."

That of the mortgages delivered to said State treasurer subsequent to the 11th day of July, 1889, a large part thereof were delivered to him in lieu of mortgages in his possession prior to said date which had been by him surrendered to said association, and the remainder thereof were delivered to him as an addition to those delivered prior to said date.

That in said lists of mortgages, marked respectively Exhibits "H," "I," and "J," the names of the persons therein stated are the names of the mortgagors who were members of said association, and the name of the town or city is the name of the town or city which was the residence of said mortgagors, and the name of the State therein stated is the name of the State wherein the
69 property mortgaged is situate, and it is asked that said exhibits be made a part of this answer as fully and completely as if copied *in extenso* herein.

That all of said mortgages in the possession of said State treasurer were regular building and loan association mortgages, made and executed by shareholders and members of said association to said association to secure the payment by said members of their regular instalments of dues upon their stock, upon which said stock they had been granted an advancement or loan, and to secure the payment of the amount of said loan.

That the obligations, covenants, and conditions of all of said mortgages and the bonds which the same were given to secure were substantially alike, a copy of the form of said bonds and mortgages, omitting the parties' names and description, but containing all of the obligations and covenants, are attached hereto, marked respectively Exhibits "K" and "L."

That said mortgages were non-negotiable and could not be transferred by said association.

That said association, being a mutual building and loan association, had no power or authority at any time to pledge, transfer, assign, sell, or dispose of any of its mortgages, and that none of said mortgages were deposited with said State treasurer by said association, but were given and delivered to him by officers and employés of said association who were not authorized by said association to so deliver said mortgages to said State treasurer; that the officers and employés of said association so delivering said mortgages kept in the books of said association a statement or account of said mortgages so delivered to said State treasurer as aforesaid.

That for each mortgage delivered to said State treasurer, as aforesaid, a receipt in the following form was sent by him to said
70 association:

"Loan No. —.

Received of the American Savings and Loan Association of Minneapolis, Minnesota, as trustee, bond and mortgage for loan $—.

Prem. —.

Signed by —— ——,

—— ——,

State Treasurer.

—— ——.

Form 69."

That said mortgages and each of them held by said State treasurer at the time of the making and filing of the complaint herein were held by him wrongfully and without right or authority of law for said possession.

That the shareholders of said association had no knowledge whatever of the delivery of said mortgages to said State treasurer, nor did they at any time consent thereto or acquiesce therein.

That the only action ever taken by said association relative to making a deposit with the State treasurer of Wisconsin was taken by its board of directors upon the first day of May, 1889, at a call-meeting of said board, called by the president at the request of three members of the said board, the record of which said action, as the same appears in the minutes of said board of directors of said association, is as follows, to wit:

"May 1, 1889.—By J. H. Bishop: Resolved, That the State treasurer of Wisconsin be made a depository of the association for temporary convenience in complying with the laws of Wisconsin in regard to the deposit of securities, $100,000. Ayes—Stoneman, Swenson, Fundell, Bishop—4; nays—none. Adopted.

By F. P. Rundell: Resolved, That if any legal process affecting the American Building and Loan Association of Minneapolis, Minn., be served on the secretary of the State of Wisconsin, and a
71 copy thereof be mailed, postage prepaid, to said association, addressed to its home office, then such service and mailing of such process shall have the same effect as personal service on such associatton in the State of Minnesota. Ayes—Stoneman, Swenson, Rundell, Bishop—4; nays—none. Adopted.

By F. P. Rundell: Resolved, That the association comply with the Wisconsin law as soon as possible. Ayes—Stoneman, Swenson, Rundell, Bishop—4. Nays—none. Adopted. Adjourned.

J. H. BISHOP, *Sec'y.*"

That at the time of the making and filing of the complaint herein the said association had shareholders residing in the State of Wisconsin to the number of 246, which said shareholders had paid into the loan fund of said association the aggregate sum of $66,457.37, and into the expense fund of said association the aggregate sum of $12,187.87.

That of said shareholders 162 had become members of said association and shareholders therein prior to the 19th day of April, 1889, which said date is the date upon which the law of the State of Wisconsin authorizing and requiring the deposit of securities with the State treasurer of Wisconsin by foreign building and loan associations in order to entitle them to do business in said State was approved, and prior to the 6th day of May, 1889, which said last date is the date upon which the first of said mortgages *were* delivered to said State treasurer; that the aggregate amount paid *in* by said 162 shareholders into the loan fund of said association is $51,297.81, and into the expense fund, $7,849.10.

That of the total number of shareholders residing in the State of Wisconsin 84 have become members of said association since said 19th day of April, 1889, and since said 6th day of May, 1889, which said 84 shareholders have paid into the loan fund of said
72 association the aggregate sum of $15,159.56, and into the expense fund thereof the aggregate sum of $4,338.77.

That said association transacted its usual and ordinary business with said shareholders residing in Wisconsin, including the receiving of monthly dues from them and the issue and transfer of shares of stock, during all of the time when said mortgages were in the possession of said State treasurer of Wisconsin, and up to the time of the appointment of a receiver of said association by the district court of Hennepin county, as hereinafter set forth.

That of the said 246 shareholders residing in the State of Wisconsin at the time of the making and filing of the complaint herein 25 had obtained unsecured loans or advancements upon their stock to the aggregate sum of $7,198.90, a detailed and specific list whereof is attached hereto, marked Exhibit "M."

That of said 246 shareholders residing in the State of Wisconsin at the time of the making and filing of the complaint herein 16 had at the time of the making and filing of the complaint herein obtained advancements or loans upon their said shares of stock, for which they had given real-estate mortgages to secure, in the aggregate sum of $9,850.00, a detailed and specific list whereof is attached hereto, marked Exhibit "N."

That all of said shareholders resident in the State of Wisconsin, on becoming members and shareholders in said association, subscribed for their shares of stock in the same manner and received like certificates thereof as did all the other shareholders of said association, wheresoever residing.

That during the period when said stock was subscribed for by and issued to said shareholders residing in Wisconsin said association used eight several and different forms of stock certificates, which said eight different forms are each attached hereto and marked Exhibits "O," "O 1," "O 2," "O 3," "O 4," "O 5," "O 6," and "O 7."

73 That said association was a mutual corporation, and that each shareholder therein, including this plaintiff, and all the shareholders in Wisconsin enjoyed and were subject to like rights, privileges, immunities, and liabilities.

That under its articles of incorporation heretofore set out none of the shareholders of said association did or could have higher or superior rights than those had or enjoyed by all.

That said association at the time of the appointment of this defendant as its receiver, hereinafter more fully set forth, had shareholders in 35 States, owned real estate in 19 States, and held mortgages on real estate in 29 States.

That sections 5900, 5901, and 5902 of the General Statutes of Minnesota, 1894, read as follows:

"SECTION 5900. Whenever any corporation having banking powers, or the power to make loans on pledges or deposits, or authorized by law to take insurances, becomes insolvent, or unable to pay its debts, or neglects or refuses to pay its notes or evidences of debt on demand, or violates any of the provisions of its act or acts of incorporation, or of any other law binding on such corporation, the district court may, by injunction, restrain such corporation and its officers from exercising any of its corporate rights, privileges and

franchises, and from collecting or receiving any debts or demands, and from paying out, or in any way transferring or delivering, to any person, any of the moneys, property or effects of such corporation, until such court shall otherwise order.

SECTION 5901. Such injunction may be issued on the complaint of the attorney general in behalf of the State, or on the complaint of any creditor or stockholder of such corporation. Whenever such injunction issues against any bank for any violation of its charter, on the complaint of any creditor, the court shall proceed to final judgment in such case, and adjudge a forfeiture, if the proof
74 is sufficient, notwithstanding such creditor may settle with such corporation, and relinquish his claim against said corporation; and in all such cases, the attorney general, or any creditor, shall have the right to appear and prosecute such action; and such action shall not be discontinued, if either of them so appear and prosecute the same.

SECTION 5902. The court, in any stage of the proceedings, may appoint one or more receivers to take charge of the property and effects of such corporation, and to collect, sue for and recover the debts and demands that are due, and the property that belongs to such corporation, who shall in all respects be subject to the control of the court."

That on the 14th day of January, 1896, said association having violated certain laws of the State of Minnesota binding upon it, and having become insolvent and incapable of effectuating the object for which it was organized and created, and incapable of carrying out its contracts and obligations, this defendant, William D. Hale, was duly appointed, pursuant to the above and foregoing provisions of the statute of Minnesota, by the district court of Hennepin county, Minnesota, which said county was the domiciliary county of said association, the receiver of said association, in an action wherein The State of Minnesota, upon the relation of H. W. Childs, its attorney general, was plaintiff, and said association was defendant.

That in its order appointing said defendant as receiver the said court therein authorized and required the said receiver to take charge of all the property and effects of said association; to collect, sue for, and recover all of the debts and demands that are due said association, and to manage and administer all the affairs of said association under the direction of said court; that afterwards said action was duly tried and heard by said court, and upon
75 appeal duly heard and determined by the supreme court of said State, and thereafter such proceedings were had that on the 18th day of June, 1896, this defendant's appointment theretofore made was duly confirmed and made permanent by the order and decree of said district court of Hennepin county, Minnesota.

That pursuant to and in conformity with the said decree and order of court the said association executed and delivered to this defendant deeds of all the real estate owned by it and due and sufficient assignments of all its mortgages and other property, including

said mortgages herein referred to as being in the possession of said S. A. Peterson as treasurer of the State of Wisconsin.

That said defendant herein, upon his first appointment, as heretofore alleged, and thereafter upon the confirmation and making permanent of said appointment, duly qualified as such receiver and upon the order of the court promptly proceeded to and is now engaged in the collection of the assets of said association, wheresoever the same may be found, with the purpose of reducing the same to possession and distributing them equitably among all the shareholders of said association, wheresoever the same may reside.

For further answer and counter-claim herein this defendant alleges that such proceedings have been had in this action that heretofore, to wit, on the 5th day of February, 1896, one M. C. Clarke was by order of this court appointed a receiver of said association for the State of Wisconsin, and the defendant herein, S. A. Peterson, State treasurer of the State of Wisconsin, was by said court ordered and directed to turn over all of the said mortgages referred to in plaintiff's complaint and heretofore in this answer fully set out and described to the said Clarke so appointed as receiver; that the said Peterson, pursuant to said order of this
76 court, has turned over and delivered all of said mortgages to said Clarke, and that said Clarke is proceeding to collect the same, and will, unless interfered with by this court, distribute the proceeds of the same to the shareholders resident in Wisconsin, thereby giving to said Wisconsin shareholders a preference over the other shareholders of said association.

That this defendant has made an inventory and had an appraisement of all of the assets of said association, including the mortgages now in the possession of said M. C. Clarke, and that said assets are not sufficient to pay to all the shareholders of said association dollar for dollar of the amount which they have paid in or, as he believes, any larger or greater sum than forty per cent. thereof; that if the said M. C. Clarke, acting as receiver aforesaid, shall collect said mortgages and distribute the proceeds thereof to the Wisconsin shareholders, the said Wisconsin shareholders will receive dollar for dollar of the amount which they have paid into said association, and thereby be constituted a preferred class of shareholders of said association, which is against equity and good conscience and contrary to the purposes of said association as defined by its articles of incorporation, by-laws, and contracts of membership with its shareholders.

That the law under which it is alleged said mortgages were deposited was intended to protect said Wisconsin shareholders in all their rights growing out of their membership in said association and not for the purpose of extending, altering, or changing said rights; that the purpose for which any deposit made by said association with said State treasurer under said law was made terminated and was at an end when said association became insolvent and incapable of carrying out its contracts and effectuating the purpose of its being.

77 That the petition of this defendant for leave to be made a party to this action was made by him by the permission and direction of the district court of Hennepin county, Minnesota.

Wherefore this defendant prays:

First. That this court may by its order and decree direct said receiver, M. C. Clarke, to turn over and deliver said mortgages held by him, as aforesaid, to this defendant, to be by him collected, and the proceeds equitably distributed to all the shareholders of said association, wheresoever they may reside, and for such other relief as to a court of equity may seem just and proper.

Second. That the plaintiff take nothing by this action and that this defendant have judgment for his costs and disbursements herein.

EUGENE G. HAY,
Attorney for William D. Hale, as Receiver of the American Sav. and Loan Association, Minneapolis, Minn.

STATE OF MINNESOTA, } ss:
County of Hennepin, }

William D. Hale, being first duly sworn, upon oath deposes and says that he is the receiver of The American Savings and Loan Association, one of the defendants in the above-entitled action; that he has read the foregoing answer, and knows the same to be true of his own knowledge, except as to matters therein stated upon information and belief, and as to those matters he believes it to be true.

WILLIAM D. HALE.

Subscribed and sworn to before me this 29th day of January, 1897.

[SEAL.] C. H. VAN CAMPEN,
Notary Public, Hennepin County, Minnesota.

78 EXHIBIT "A."

Articles of Incorporation of the American Building and Loan Association.

For the purpose of forming a corporation under the laws of the State of Minnesota, we, the undersigned, hereby adopt the following articles of incorporation:

First. The name of this corporation shall be the American Building and Loan Association, and the principal place for the transaction of its business shall be in the city of Minneapolis, in the State of Minnesota.

Second. The general nature of the business of this association shall be to assist its members in saving money, and in buying and improving real estate, which shall be done by accumulating a fund of money by payments for stock issued to its members, and loaning the said fund with accumulations to such members; also to acquire, hold and transfer all such real estate, as may be necessary or con-

venient for the purpose of conducting, carrying on or disposing of the business of the association.

Third. This corporation shall commence on the fifteenth day of April, 1887, and continue thirty years.

Fourth. The amount of capital stock of this corporation shall be ten million of dollars, which shall be divided into one hundred thousand shares of one hundred dollars each. The amount of the stock and the number of shares may be increased at any regular or special meeting of the stockholders. The capital stock shall be paid in in monthly instalments of fifty cents for each share, in such manner and at such time as shall be prescribed in the by-laws. For the purpose of securing business and paying the expenses of this association, the board of directors may require the payment by the members of such admission fees, transfer fees, withdrawal fees, fines, monthly and semi-annual payments or dues as they shall prescribe in the by-laws.

Fifth. The highest amount of indebtedness or liability to which this corporation shall at any time be subject shall be twenty-five thousand dollars.

Sixth. The officers of this corporation shall be a president, secretary, treasurer, and a board of six directors. The president, secretary and treasurer shall be *ex officio* members of said board of directors. The government of this corporation and the management of its affairs shall be vested in said officers and board of directors.

Seventh. The officers and directors of this corporation shall be elected at the annual meeting of the association on the last Tuesday in July in each year, and shall hold their offices for one year, and until their successors are elected.

Eighth. The names and places of residence of the persons forming this corporation are as follows, to wit: Charles B. Wright, Lars Swenson, F. B. Stoneman, F. P. Rundell, F. C. Lawrence and J. T. Perkins, all of whom reside in the city of Minneapolis, in the State of Minnesota.

Ninth. The names of the first board of directors of this corporation are as follows, to wit: Charles B. Wright, Lars Swenson, F. B. Stoneman, F. P. Rundell, F. C. Lawrence and J. T. Perkins. The first officers shall be: President, F. P. Rundell; secretary, F. C. Lawrence; treasurer, J. T. Perkins. These officers and directors shall hold office until the regular annual meeting on the last Tuesday in July, 1887.

Tenth. The board of directors may make and adopt by-laws not inconsistent herewith and may alter or amend the same at any regular or special meeting of such board by the vote of majority thereof.

Witness our hands and seals this 29th day of March, 1887.

F. P. RUNDELL. [SEAL.]
F. B. STONEMAN. [SEAL.]
LARS SWENSON. [SEAL.]
JAS. T. PERKINS. [SEAL.]
F. C. LAWRENCE. [SEAL.]
C. B. WRIGHT. [SEAL.]

Signed by all except C. B. Wright in the presence of—
A. T. ANKENY.
I. H. GREENE.

Signed by C. B. Wright in presence of—
H. A. WILD.
F. A. SMITH.

79 EXHIBIT "B."

Amended Articles of Incorporation of American Building and Loan Association.

I.

The name of this corporation shall be American Building and Loan Association, and the principal place for the transaction of its business shall be the city of Minneapolis, in the State of Minnesota.

II.

The general nature of its business shall be to assist its members in saving and investing money, and in buying and improving real estate and in procuring money for other purposes, by loaning or advancing, under the mutual building society plan, to such of them as may desire to anticipate the ultimate value of their shares, funds accumulated from the monthly contribution of its stockholders, and also such other funds as may from time to time come into its hands.

III.

This corporation commenced on the 15th day of April, 1887, and the period of its continuance shall be thirty (30) years thereafter.

IV.

The amount of capital stock of said corporation shall be fifty million dollars ($50,000,000.00), which shall be paid in monthly instalments of fifty (50) cents on each share in such manner and at such times as shall be prescribed by the by-laws; provided that said corporation may issue paid-up stock upon terms, rules and regulations to be provided by the by-laws. For the purpose of obtaining business, paying the expenses of this association, and securing its successful management, the members thereof shall pay such fees, monthly and semi-annual payments, or dues, as may from time to time be advisable, and under rules and regulations to be prescribed by the by-laws.

V.

The highest amount of indebtedness, or liability, to which this corporation shall at any time be subject, shall be five million dollars ($5,000,000.00).

VI.

The government of this corporation and the management of its affairs shall be vested in a board of seven (7) directors, each of whom

shall be stockholders. The directors shall choose a president, a vice-president, a secretary and a treasurer from among the stockholders, but it shall not be necessary for said officers to be directors. In case said officers are not directors, they shall have the privilege of attending at all meetings of the board of directors, and shall have due notice of all such meetings given them in the manner prescribed by the by-laws. These officers shall not be entitled to vote on questions submitted to the board unless they are directors.

VII.

The term of office of the directors of said corporation shall be four (4) years, and of the other officers two (2) years; provided, however, that the board of directors shall be divided into four classes, and each of the first three classes shall be composed of two directors, and the fourth class shall contain one director, and two directors shall be elected annually for three successive years, and one director on the fourth year, it being understood that the term of office of one class shall expire each year. Members having but one year to serve shall belong to the first class; members having two years to serve to the second class; members having three years to serve to the third class, and members having four years to serve to the fourth class. The election shall be held at the annual meeting of the association on the last Tuesday in July of each year. At the annual meeting in 1888, there shall be elected two directors of the first class, two directors of the second class, two directors of the third class, and one director of the fourth class.

The other officers of this corporation shall be elected at the annual meeting of the board of directors on each alternate year commencing with the year 1888. The meeting of the board of directors for the election of officers shall be held immediately after the annual meeting of the stockholders.

VIII.

The names and places of residence of the persons who formed this corporation are as follows, to wit:

Charles B. Wright, Lars Swenson, F. B. Stoneman, F. P. Rundell, F. C. Lawrence and J. T. Perkins, all of whom reside in the city of Minneapolis, in the State of Minnesota.

IX.

The first board of directors of this corporation was composed of Charles B. Wright, Lars Swenson, F. B. Stoneman, F. P. Rundell, F. C. Lawrence and J. T. Perkins.

X.

This corporation may transact business under these amended articles of incorporation whenever one million five hundred thousand dollars ($1,500,000.00) of said stock shall have been subscribed for.

80

XI.

The stock of this corporation may be issued in series, provided it shall seem best to the board of directors.

XII.

The by-laws of this corporation shall be adopted by the stockholders and shall not be amended, except at an annual or special meeting of said corporation, and by a majority vote of the stock outstanding.

XIII.

All stockholders must be acceptable to the board of directors.

XIV.

The board of directors may retire any stock after its maturity as prescribed by the by-laws.

XV.

This corporation may borrow money for the purpose of carrying out its objects to an amount not exceeding five million dollars ($5,000,000.00) at any one time.

XVI.

The directors of this corporation may enter into such contracts and agreement and appoint such agents for its business management as they may deem for the best interest of its affairs.

XVII.

The officers of this corporation shall execute all contracts and other documents authorized by the board of directors or provided for by the by-laws.

XVIII.

The capital stock of this corporation shall be divided into five hundred thousand shares of the par value of one hundred dollars ($100) each.

XIX.

The board of directors may sell and dispose of the mortgages held by this corporation whenever they may deem best, and as provided by the by-laws.

XX.

The board of directors may appoint an advisory board or boards, whenever they deem best under rules and regulations to be prescribed by the by-laws.

XXI.

Any stockholder may withdraw from the corporation upon terms provided by the by-laws.

81 EXHIBIT "C."

By-laws of the American Building and Loan Association of Minneapolis, Minn. Adopted July 3, 1888.

ARTICLE I.—*Members.*

SECTION 1. Any person may become a member of the American Building and Loan Association by taking stock therein and paying the admission fee, provided his application shall be accepted by the board of directors.

SEC. 2. No member shall be allowed to vote until all arrears are paid.

SEC. 3. No member who has borrowed money shall be allowed to vote on any question affecting the claim of the association against himself.

SEC. 4. Each member shall make his payments on stock in installments of sixty cents per month per share.

SEC. 5. On the death or legal disability of a member his legal representatives may withdraw his stock, or keep up the payments in the interest of his estate.

ARTICLE II.—*Stock.*

SECTION 1. Every stockholder shall receive from the secretary a certificate of stock signed by the secretary and the president.

SEC. 2. All stock shall be voted by shares. It shall be transferable only by written instrument signed by the vendor. But no transfer shall be operative or valid until entered on the books of the association and a transfer fee of fifty cents per share paid. Provided that in no case shall such fee be less than one dollar or more than three dollars on any one certificate. Such transfer shall not in any way exempt the person making it from any liabilities to the association created prior to the transfer.

SEC. 3. Shares upon which loans have been obtained cannot be transferred unless the property mortgaged as security is also transferred or the loan is repaid. In other cases shares, if in good standing, may be transferred at any time. But no stock shall be transferred until it stands clear on the books of the association.

SEC. 4. Stock may be withdrawn upon sixty days' notice as hereinbefore provided. Members may withdraw the installments paid on unpledged shares after two years from the date of the certificate provided that when a member dies his personal representatives may withdraw such shares at any time.

SEC. 5. Shares on which loans have been made may be withdrawn if the loan is paid, but not otherwise.

SEC. 6. If a share is withdrawn at any time before it matures the holder thereof will be entitled to receive the amount paid into the loan fund in monthly payments on such share, together with six per cent. annual interest less any losses to which it may be subject.

SEC. 7. If a share which has matured is withdrawn, the holder

thereof shall be entitled to receive one hundred dollars, together with all additional profits which may have been apportioned to it.

SEC. 8. Withdrawing stock shall be paid for in the order in which notice is given, but the association shall not be required to use in the payment thereof in any one month without the consent of the board of directors, more than one-half of the net receipts of the loan fund for that month.

SEC. 9. If the undivided profits on hand at any time are not sufficient to pay any loss that may occur, the balance shall be charged up to the share in good standing *pro rata* in proportion to the value thereof, and if any share is withdrawn the amount so charged shall be deducted from the amount due on such share.

SEC. 10. The shares of stock may be arranged and issued in series if the board of directors deem it advisable.

SEC. 11. Whenever in any case payments upon stock have been in arrears for six months or more such stock shall be sold at auction for the purpose of paying the arrearages. The surplus arising from such sale after paying the back monthly dues and fines shall be paid to the original owner. If the stock does not bring enough to pay what is due thereon, it shall be bid in by the association and cancelled, and the amount standing to the credit thereof in the loan fund shall be divided among the other shares as profits. Whenever any stock is to be sold for arrearages a notice stating the time and place of such sale shall be mailed to the owner of such stock at least ten days before the date of sale. The sale may be adjourned from time to time as may seem best.

SEC. 12. Whenever any stock has reached maturity the board of directors may, if it shall appear to them to be of the best interests to the corporation, retire and cancel the same at its then value in such manner and under such regulations as may be deemed advisable.

SEC. 13. Any member may authorize another person by written proxy to vote his stock, provided that all proxies shall be filed with the president at least fifteen days before the opening of the meeting at which they are to be used. And provided further that no person shall cast more than 500 votes on proxies, and no officer of the association shall be allowed to hold any proxy.

ARTICLE III.—*Fees, Fines, and Monthly Payments.*

SECTION 1. The admission fee for all members shall be one dollar per share for ten or more shares; for a less number it shall be as follows:

One share	$2.00
Two shares	3.00
Three shares	4.00
Four shares	4.50
Five shares	5.00
Six shares	6.00
Seven shares	7.00
Eight shares	8.00
Nine shares	9.00

SEC. 2. Whenever a member withdraws his shares he shall pay a withdrawal fee of fifty cents per share, but in no case shall such a fee be less than one dollar or more than three dollars on any certificate.

SEC. 3. Whenever any stock is transferred a transfer fee of fifty cents per share shall be paid, provided that in no event shall such fee be less than one dollar or more than three dollars on any certificate.

SEC. 4. If any monthly payments are not paid when due a fine of ten cents per share shall be imposed for each and every month the payment may be in arrears.

SEC. 5. In case any member who has obtained a loan from the association upon improved property shall fail to renew his insurance forty-eight hours prior to the expiration thereof, he shall pay a fine of twenty-five dollars.

SEC. 6. In case any member who has obtained a loan from said association shall allow the time for the payment of assessments or taxes on the property as provided by law to pass, he shall pay a fine of ten dollars, and in case at any time he refuses to show his tax receipts, he shall pay a fine of five dollars.

SEC. 7. The payments on each share shall be sixty cents per month for each and every month until maturity, commencing one month from the date of the certificate. Payments shall be due each subsequent month on the day of the month on which the certificate is dated. Provided, however, that the board of directors may require the monthly payments on all or a portion of the stock outstanding to be paid on the same day of the month. Fifty cents per month per share shall be paid into the loan fund, and ten cents per month per share shall be devoted to operating expenses.

SEC. 8. All the admission, withdrawal and transfer fees shall be devoted to the payment of operating expenses.

SEC. 9. Any stockholder, if he so desires, may make his monthly payments in advance, and when a payment for six months or more in advance is made at any one time the shareholder shall be entitled to receive such interest or discount on account of the advance payment as the board of directors may deem advisable.

SEC. 10. All money due from members to the association or from it to the members shall be payable at the home office in Minneapolis, Minnesota.

SEC. 11. Paid-up stock may be issued and sold at the price of fifty dollars a share. A dividend of one dollar and fifty cents per share may be paid semi-annually, on such stock which dividend shall be deducted from the profits apportioned to such share. There may be used for expenses on such stock, three dollars per share the first year, and one dollar per year per share thereafter. Whenever the amount standing to the credit of a share equals one hundred dollars, such share shall be deemed to have matured, and the holder thereof shall be entitled to withdraw the same and to receive one hundred dollars therefor. Paid-up stock cannot be withdrawn until after two years from the date of issue, and if withdrawn before maturity shall entitle the holder to receive fifty dollars per share and a por-

tion of the profits, if the board of directors shall so determine. Provided, however, that settlements shall always be in accordance with the contract contained in the certificate of stock held by the member. Holders of paid-up stock can never be assessed or called upon for any payments other than the fifty dollars per share for which such stock is sold.

SEC. 12. Paid-up stock on which dividends shall not be paid may be sold for forty dollars per share. Such stock shall be subject to the rules contained in the preceding sections of these by-laws, except that no dividends shall be paid thereon, and if withdrawn before maturity the holder shall be entitled to receive forty dollars per share with six per cent. interest. This stock cannot be withdrawn until after two years from the date of certificate.

ARTICLE IV.—*Funds.*

SECTION 1. The receipts of said association shall be divided into two classes, which shall be called respectively the loan fund and the expense fund.

SEC. 2. The expense fund shall consist of all admission, withdrawal, transfer, insurance, abstract and attorneys' fees, amounts paid for insurance or taxes on property on which loans have been made, fees, costs and disbursements of foreclosure, together with ten cents per share per month from the monthly payments on stock, and this fund so constituted shall be devoted to the payment of operating expenses and said insurance and taxes.

SEC. 3. The loan fund shall consist of all receipts which do not go to the expense fund, as hereinbefore provided. No part of the loan fund can be used for expenses except for taxes thereon.

SEC. 4. No money can be drawn from the loan fund except by draft drawn by an agent of the corporation on the treasurer and accepted by the president and the secretary, or on a check signed by the president and treasurer, and then only with the approval of the board of directors.

SEC. 5. In case the funds subject to loan are not called for
83 by any member entitled thereto within ninety days after the same have been offered for bids, and in case they are not otherwise disposed of, if the board of directors deem it to the best interest of said association they may invest the same in United States bonds, for the mutual benefit of the members.

SEC. 6. On the first day of the months of January, April, July and October in each year, all undivided profits shall be apportioned and credited to the shares in force.

SEC. 7. If any money remains in the expense fund after paying the salaries of officers, as fixed by the board of directors, and the other expenses of the association, the surplus so remaining shall be turned into the loan funds as profits.

ARTICLE V.—*Loans.*

SECTION 1. The funds of said corporation which shall belong to the loan fund shall be loaned to the member offering to pay the

highest premium therefor in addition to the stipulated six per cent. per annum upon such terms and security as the board of directors may from time to time approve; provided that the rate of interest shall be six per cent. per annum. Payments of interests and premium shall be made either in advance at the time the loan is made, or monthly, as the directors may deem best. All other payments shall be made monthly. Loans shall be made at the regular monthly meeting of the board of directors on the second Thursday in each month, when there are sufficient funds therefor, and as much oftener as may appear advisable to such board.

SEC. 2. A member desiring a loan shall file written application therefor with the president, accompanied by a sealed bid stating the amount of premium per share in addition to six per cent. interest which the applicant is willing to pay for such loan. But no loan shall be granted to a member until three months from the date of his certificate of stock unless the board of directors shall for good reason determine to the contrary.

SEC. 3. Each bid shall be numbered in the order of its receipt by the president, and when two or more are made at the same premium they shall take precedence in the order of their receipt, other things being equal. Provided that where the same premium is offered by two or more members, those having the best security shall be given the preference.

SEC. 4. Bids shall be opened on the second Thursday of each month, and at such other times as the board of directors may deem advisable. Any member, or his agent or attorney, may be present when they are opened. All bids shall be kept on file, and after being opened shall be subject to the inspection of any person interested.

SEC. 5. A member desiring a loan shall advance ten dollars for the purpose of securing the payment of the expense of making the loan and the examination of the title, unless that amount already stands to the credit of his stock in the loan fund. An abstract of title must be furnished in all cases by the applicant, and he must pay for the examination of the same, for the record of the mortgage and all other expenses connected with the loan.

SEC. 6. If the loan is granted, the expenses thereof, unless otherwise provided for, may be deducted from the amount of the loan. If it is rejected because the security is not satisfactory, the expense incurred and one month's interest on said loan may be charged up against the stock of the applicant, and unless otherwise paid it may be deducted from the amount standing to the credit thereof.

SEC. 7. Loans on real estate may be repaid at any time, on thirty days' notice. If a borrower thereon neglects to pay any interest, dues or monthly payments for a period of six months from the time the same shall be due, or if he neglects to pay his insurance, taxes or assessments on the day that they fall due, then the whole principal mentioned in the mortgage and note or bond shall at once become due and payable without notice, and proceedings may be commenced forthwith to foreclose such mortgage or to collect said

bond or note in such manner as the board of directors may deem best.

SEC. 8. All buildings on which loans are made shall be kept insured by the owner at his own expense, and the insurance made payable to the association as its interests may appear. All policies shall be renewed and turned over to the association at least forty-eight hours before expiration. But in case the owner shall fail to obtain such insurance or renewal, or in case he shall desire said association to obtain it for him, this shall be done by the agents of said corporation, and the owner shall pay the expenses thereof.

SEC. 9. Members obtaining loans shall execute such notes or bonds and mortgages as shall be required by the board of directors.

SEC. 10. After shares have been in force two years, the owner may obtain a loan on them without other security, but not to exceed seventy-five per cent. of their value at the time the loan is made.

ARTICLE VI.—*Officers.*

SECTION 1. President.—The president shall preside at all meetings of the corporation and of the board of directors. He shall sign, as soon as practicable after sale, certificates for all stock sold by said corporation or its agents. He shall accept forthwith, upon presentation, all drafts drawn by agents of said corporation on the treasurer for money to be paid out for loans, insurance and taxes, provided always the board of directors has approved said loans. He shall execute promptly satisfactions of mortgages owned by said
84 corporation whenever they are paid, and as soon as the board of directors shall have decided upon a sale of property belonging to said corporation he shall execute all necessary conveyance therefor.

SEC. 2. Vice-president.—The vice-president shall perform all the duties of the president during his absence or disability.

SEC. 3. Secretary.—The secretary shall, in conjunction with the president, accept forthwith upon presentation, all drafts drawn on the treasurer by the agents of the corporation for money to be paid out for loans, insurance or taxes, provided said loans have been approved by the board of directors. He shall sign, in conjunction with the president, certificates of stock and other instruments which the latter is required to execute by the terms of these by-laws. He shall attend all meetings of the corporation and of the board of directors, and shall keep full, accurate and complete minutes of all their meetings in books obtained for that purpose.

SEC. 4. Treasurer.—The treasurer shall, within a reasonable time after the presentation, pay all drafts drawn on him by agents of the corporation and accepted by the president and secretary. He shall have charge of the loan fund and shall promptly deposit it in such bank or banks as the board of directors may designate for that purpose. All other funds which may from time to time come into his hands he shall promptly turn over to such person or persons as the board of directors may have ordered. He may, with the president, sign checks on the loan fund, provided the same have the approval

of the board of directors. He shall render to the board of directors a statement of the condition of the loan fund whenever requested by them so to do.

SEC. 5. Board of directors.—The board of directors shall fill all vacancies which may occur among either the officers or directors, provided that every vacancy in the said board shall be filled at its next meeting. Said board may enter into such contracts and agreements and appoint such agents for its business as it may deem for the best interests of the affairs of the corporation. For the purpose of obtaining a successful business management it may turn over to and pay the person or persons with whom it contracts, or the agent or agents which it appoints what is known as the expense fund, or such portion thereof as is deemed best, provided that all salaries and all expenses of said corporation, aside from insurance and taxes on property on which loans are outstanding, shall be wholly paid by said expense fund, and the person so contracted with or the agents so employed must rely solely for their compensation upon the balance remaining after paying such expenses, and no part of the loan fund can be used for such expenses or compensation or salaries. Such contract or contracts may cover such a period and contain such covenants as the board of directors may deem advisable.

SEC. 6. All officers shall insure to said association the faithful performance of their duties by such guarantees, securities or bonds of indemnity, as the board of directors may from time to time require.

SEC. 7. The officers and directors shall make no arbitrary or unreasonable delays in performing their respective duties so as to embarrass said corporation in its practical workings, and in case they or any of them do so the board of directors may remove him or them by a majority vote after he has been heard.

SEC. 8. Advisory board.—Advisory boards may be appointed by the board of directors to such an extent and at such times as it may deem best. They shall advise with the board of directors upon important topics whenever called upon to do so, and shall furnish said directors with such information relating to the matters of the association in their particular localities, as they may from time to time require.

SEC. 9. The officers and directors of said association shall receive such salaries as the board of directors may deem advisable, provided the same must always be paid from the expense fund.

SEC. 10. All contracts made by or with this association shall be deemed to have been made at the home office in Minneapolis, Minnesota.

ARTICLE VII.—*Elections.*

SECTION 1. All elections shall be by ballot. Every member shall be entitled to one vote for each share of stock that he holds.

ARTICLE VIII.—*Meetings.*

SECTION 1. The annual meeting of the stockholders of said corporation shall be held on the last Tuesday of July in each year. The

annual meeting of the board of directors shall be held immediately after the annual meeting of the stockholders in each year.

SEC. 2. The board of directors shall meet on the second Thursday of each and every month, and as much oftener as may be deemed advisable.

SEC. 3. Special meetings of the corporation or of the board of directors may be called at the written request of three directors.

SEC. 4. At least thirty days prior to any special or annual meeting of the corporation, a notice stating the time and place of such meeting shall be deposited in the post-office at Minneapolis, Minnesota, directed to each member at his address as the same appears on the books of the association, and shall be deemed a legal and sufficient notice of any annual or special meeting. Information of any other matter of which members need notice may be given in a similar manner. In case of a change of post-office address of a member, notice thereof shall at once be given to the secretary.

85 SEC. 5. Members present in person or by proxy entitled to one thousand votes shall constitute a quorum at any annual or special meeting of the association.

ARTICLE IX.—*Local Boards.*

SECTION 1. Whenever sufficient stock has been sold in any town to make it advisable, the members residing in each town may organize a local board or branch of the association. The officers of the local organization shall consist of a president, secretary, treasurer, attorney, and a board of five directors. These officers shall hold office one year and until their successors are elected.

SEC. 2. As it frequently happens that a meeting of the local members cannot be held as soon as it is desirable, the traveling agents of the association are given authority to appoint the first officers of the local board. Provided, however, that officers so appointed shall only hold office until the members of the local board meet and elect their successors.

SEC. 3. It shall be the duty of the officers of the local board to pass on all applications for loans which are received by the association from members residing in the town where such local board is located, and to protect the interests of the association in all practicable ways.

SEC. 4. Members may, if they so desire, make monthly payments on stock to the local treasurer. But such local treasurer shall be deemed to be the agent of the members, and not of the association.

SEC. 5. As soon as the officers of the local board have been appointed or elected and the names of such officers have been certified to the association by a traveling agent or by the local secretary, a local board charter shall be issued to such board.

SEC. 6. The president of the local board shall call a meeting thereof whenever three members shall request him so to do.

ARTICLE X.

SECTION 1. No amendments shall be made to these by-laws unless previously endorsed by resolution of the board of directors and adopted by a majority vote of the stock of said corporation.

86 EXHIBIT "D."

Revised By-laws of the American Building and Loan Association of Minneapolis, Minn.

Resolved, That the by-laws of this association be and the same hereby are amended so as to read as follows, to wit:

ARTICLE I.—*Members.*

SECTION 1. Any person may become a member of the American Building and Loan Association by taking stock therein and paying the admission fee, provided his application shall be accepted by the board of directors.

SEC. 2. No member shall be allowed to vote until all arrears are paid.

SEC. 3. No member who has borrowed money shall be allowed to vote on any question affecting the claim of the association against himself.

SEC. 4. Each member shall make his payments on stock in installments of sixty cents per month per share.

SEC. 5. On the death or legal disability of a member, his legal representatives may withdraw his stock, or keep up the payments in the interest of his estate.

ARTICLE II.—*Stock.*

SECTION 1. Every stockholder shall receive from the secretary a certificate of stock with the signatures of the president and secretary, or fac-similes thereof, appended thereto.

SEC. 2. All stock shall be voted by shares. It shall be transferable only by written instrument signed by the vendor. But no transfer shall be operative or valid until entered on the books of the association and a transfer fee of 50 cents per share paid. Provided, that in no case shall such fee be less than one dollar or more than three dollars on any one certificate. Such transfer shall not in any way exempt the person making it from any liabilities to the association created prior to the transfer.

SEC. 3. Shares upon which loans have been obtained cannot be transferred unless the property mortgaged as security is also transferred or the loan is repaid. In other cases shares, if in good standing, may be transferred at any time. But no stock shall be transferred until it stands clear on the books of the association.

SEC. 4. Shares on which loans have been made may be withdrawn if the loan is paid, but otherwise not.

SEC. 5. If any stockholder becomes indebted to the association in any way, such debt shall be a first lien upon the stock of such mem-

ber, and such stock cannot be transferred or withdrawn until said debt is paid.

SEC. 6. If a share which has matured is withdrawn, the holder thereof shall be entitled to receive one hundred dollars, together with all additional profits which may have been apportioned to it.

SEC. 7. Withdrawing stock shall be paid for in the order in which notice is given, but the association shall not be required to use in the payment thereof in any one month, without the consent of the board of directors, more than one-half of the net receipts of the loan fund for that month.

SEC. 8. If the undivided profits on hand at any time are not sufficient to pay any loss that may occur, the balance shall be charged up to the shares in good standing *pro rata* in proportion to the value thereof, and if any share is withdrawn the amount so charged shall be deducted from the amount due on such share.

SEC. 9. The shares of stock may be arranged and issued in series if the board of directors deem it advisable.

SEC. 10. At any time before or after the maturity of any share the board of directors may, if it shall appear to them to be for the best interests of the corporation, retire and cancel the same at its then value in such manner and under such regulations as may be deemed advisable.

SEC. 11. Any member may authorize another person by written proxy to vote his stock, provided that all proxies shall be filed with the president at least fifteen days before the opening of the meeting at which they are to be used. And provided further that no person shall cast more than 500 votes on proxies, and no officer, agent or employee of the association shall be allowed to hold any proxies.

ARTICLE III.

Fees, Fines, and Monthly Payments.

SECTION 1. The admission fee for all members subscribing for installment stock shall be one dollar per share for five or more shares; for a less number it shall be as follows:

One share	$2.00
Two shares	3.00
Three shares	4.00
Four shares	4.50

SEC. 2. Whenever any stock is transferred, an admission fee of fifty cents per share shall be paid by the purchaser, provided that in no event shall such fee be less than one dollar or more than three dollars on any certificate.

SEC. 3. If any monthly payment is not paid when due a fine of ten cents a share shall be imposed for each and every month the payment may be in arrears.

SEC. 4. Any stockholder, if he so desires, may make his monthly payments in advance, and when a payment for six months or more in advance is made at any one time the shareholder shall be entitled to receive such interest or discount on account

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of the advance payment as the board of directors may deem advisable.

SEC. 5. All money due from members to the association or from it to the members shall be payable at the home office in Minneapolis, Minn.

SEC. 6. Paid-up stock may be issued and sold at the price of twenty-five dollars per share, which shall include the admission fee. A dividend of seventy-five cents per share may be paid semi-annually, which shall be deducted from the profits belonging to such share. Whenever the amount standing to the credit of a share equals one hundred dollars, such share shall be deemed to have matured, and the holder thereof shall be entitled to withdraw the same and to receive one hundred dollars therefor.

SEC. 7. Paid-up stock, on which no dividend shall be paid, may be sold for twenty dollars per share, including admission fee. The entire profits belonging to such stock shall be credited to the same every three months until such stock matures.

SEC. 8. The admission fee on paid-up stock shall be two dollars per share, and there may be set apart for expenses, in addition to the admission fee, one dollar per share per year.

ARTICLE IV.—*Funds.*

SECTION 1. The receipts of said association shall be divided into two classes, which shall be called respectively the loan fund and the expense fund.

SEC. 2. The expense fund shall consist of all admission fees and such part of the monthly payments as may be deducted for expenses, not exceeding one dollar per share per year on stock in class "B," and one dollar and twenty cents per share per year on stock in class "A."

SEC. 3. The loan fund shall consist of all receipts which do not go to the expense fund as hereinbefore provided. No part of the loan fund can be used for expenses, except for taxes.

SEC. 4. No money can be drawn from the loan fund, except on a check signed by the president and treasurer, and then only for loans on investments approved by the board of directors or the loan committee.

SEC. 5. For all money to be disbursed by the treasurer from either the loan fund or expense fund a warrant or order on the treasurer shall be drawn and signed by both the president and secretary.

SEC. 6. On the first days of the months of January, April, July, and October in each year, all undivided profits shall be apportioned and credited to the shares in force.

SEC. 7. If any money remains in the expense fund in excess of $1,000, at the close of the fiscal year, after paying the salaries of officers as fixed by the board of directors and the other expenses of the association, the surplus in excess of $1,000 so remaining, shall be turned into a fund which shall be called a contingent fund, and this fund shall be held separate from the loan fund, although the money shall be invested in loans and the profits of the loans thus

made shall go to the members. The fund itself shall be held to meet contingencies, such as losses on loans or any other purpose necessary to use money over and above what is received through the expense fund.

ARTICLE V.

SECTION 1. The funds of said corporation which shall belong to the loan fund shall be loaned to the member offering to pay the highest premium therefor in addition to the stipulated six per cent. per annum, upon such terms and security as the loan committee may from time to time approve, provided that the rate of interest shall be six per cent. per annum. Payments of interest and premium shall be made either in advance at the time the loan is made or monthly as the directors may deem best. All other payments shall be made monthly. Loans should be made at the regular monthly meeting of the board of directors on the second Thursday in each month, when there are sufficient funds therefor, and as much oftener as may appear advisable to such board.

SEC. 2. A member desiring a loan shall file written application therefor with the association, accompanied by a sealed bid, stating the amount of premium per share, in addition to six per cent. interest, which the applicant is willing to pay for such loan. But no loan shall be granted to a member until three months from the date of his certificate of stock, unless the board of directors shall, for a good reason, determine to the contrary.

SEC. 3. Bids shall be opened on the second Thursday of each month, and at such other times as the board of directors may deem advisable. Any member, or his agent or attorney, may be present when they are opened. All bids shall be kept on file, and after being opened shall be subject to the inspection of any person interested.

SEC. 4. A member desiring a loan shall advance ten dollars for the purpose of securing the payment of the expense of making the loan and the examination of the title, unless that amount already stands to the credit of his stock in the loan fund. An abstract of title must be furnished in all cases by the applicant, and he must pay for the examination of the same, for the record of the mortgage, and all other expenses connected with the loan.

SEC. 5. If the loan is granted, the expenses thereof, unless otherwise provided for, may be deducted from the amount of the loan. If it is rejected because the security is not satisfactory, the expense incurred and one month's interest on said loan may be
88 charged up against the stock of the applicant, and unless otherwise paid it may be deducted from the amount standing to the credit thereof.

SEC. 6. Loans on real estate may be repaid at any time on thirty days' notice. If a borrower neglects to pay any interest, dues or monthly payments for a period of two months from the time the same shall be due, or if he neglects to pay his insurance, taxes or assessments on the day that they fall due, then the whole principal mentioned in the mortgage, and note or bond shall at once become

due and payable without notice, and proceedings may be commenced forthwith to foreclose such mortgage or to collect said bond or note in such manner as the board of directors may deem best.

SEC. 7. All buildings on which loans are made shall be kept insured by the owner at his own expense, and the insurance made payable to the association as its interest may appear. All policies shall be renewed and turned over to the association at least forty-eight hours before expiration. But in case the owner shall fail to obtain such insurance or renewal, or in case he shall desire said association to obtain it for him, this shall be done by the agents of said corporation, and the owner shall pay the expenses thereof.

SEC. 8. Members obtaining loans shall execute such notes or bonds and mortgages as shall be required by the board of directors.

SEC. 9. After shares have been in force two years, the owner may obtain a loan on them without other security, but not to exceed seventy-five per cent. of their value at the time the loan is made.

SEC. 10. A loan committee, consisting of five directors, shall be appointed by the board of directors, and no loan shall be granted unless the security offered therefor shall be approved by three members of said committee.

SEC. 11. No member can obtain a loan for a greater amount than the par value of his stock, nor in excess of fifty per cent. of the value of the real estate offered as security.

SEC. 12. Every borrower must assign to the association, as collateral security for his loan, one share of stock for each $100 of his loan, including the premium.

ARTICLE VI.—*Officers.*

SECTION 1. President.—The president shall preside at all meetings of the corporation and of the board of directors. He shall accept forthwith upon presentation all drafts drawn by agents of said corporation on the treasurer for money to be paid out for loans and taxes, provided always the loan committee has approved said loans. He shall execute promptly satisfactions of mortgages owned by said corporation, whenever they are paid and as soon as the board of directors shall have decided upon a sale of property belonging to said corporation he shall execute all necessary conveyance therefor.

SEC. 2. Vice-President.—The vice-president shall perform all the duties of the president during his absence or disability.

SEC. 3. Secretary.—The secretary shall accept forthwith upon presentation, all drafts drawn on the treasurer by the agents of the corporation for money to be paid out for loans or taxes, provided said loans have been approved by the loan committee. He shall sign in conjunction with the president all instruments which the latter is required to execute by the terms of these by-laws. He shall attend all meetings of the corporation and of the board of directors and shall keep full, accurate and complete minutes of all their meetings in books obtained for that purpose.

SEC. 4. Treasurer.—The treasurer shall have charge of the loan fund and expense fund and shall promptly deposit the same in

such bank or banks as the board of directors may designate for that purpose. He may sign checks for the disbursement of money, provided that checks on the loan fund must also be signed by the president. He shall render to the board of directors a statement of the condition of the loan and expense funds whenever requested so to do by such board.

SEC. 5. Board of directors.—The board of directors shall fill all vacancies which may occur among either the officers or directors, provided that every vacancy in said board shall be filled at its next meeting. Said board may enter into such contracts and agreements and appoint such agents for its business management as it may deem for the best interests of the affairs of the corporation.

SEC. 6. All officers shall insure to said association the faithful performance of their duties by such guarantees, sureties or bond of indemnity as the board of directors may provide and as may be required by law.

SEC. 7. The officers and directors shall make no arbitrary or unreasonable delays in performing their respective duties so as to embarrass said corporation in its practical workings and in case they or any of them do so, the board of directors may remove him or them by a majority vote after he has been heard.

SEC. 8. Advisory board.—Advisory board may be appointed by the board of directors to such an extent and at such times as it may deem best. They shall advise with the board of directors on important topics whenever called upon so to do, and shall furnish said directors with such information relating to the matters of the association in their particular localities, as they may from time to time require.

SEC. 9. The officers and directors of said association shall receive such salaries as the board of directors may deem advisable, provided the same must always be paid from the expense fund.

89 SEC. 10. All contracts made by or with this association shall be deemed to have been made at the home office in Minneapolis, Minnesota.

ARTICLE VII.—*Elections.*

SECTION 1. All elections shall be by ballot. Every member shall be entitled to one vote for each share of stock that he holds.

ARTICLE VIII.—*Meetings.*

SECTION 1. The annual meeting of the stockholders of said corporation shall be held on the last Tuesday of July in each year. The annual meeting of the board of directors shall be held immediately after the annual meeting of the stockholders in each year.

SEC. 2. The board of directors shall meet on the second Thursday of each and every month, and as much oftener as may be deemed advisable.

SEC. 3. Special meeting of the corporation or of the board of directors may be called at the written request of three directors.

SEC. 4. At least thirty days prior to any special or annual meeting of the corporation, a notice stating the time and place of such

meeting shall be deposited in the post-office at Minneapolis, Minnesota, directed to each member at his address as the same appears at the time on the books of the association, and shall be deemed a legal and sufficient notice of any annual or special meeting. Information of any other matter of which members need notice may be given in a similar manner. In case of a change of a post-office address of a member, notice thereof shall at once be given to the secretary.

SEC. 5. Members present in person or by proxy entitled to ten thousand votes shall constitute a quorum at any annual or special meeting of the association.

ARTICLE IX.—*Local Boards.*

SECTION 1. Whenever sufficient stock has been sold in any town to make it advisable, the members residing in each town may organize a local board or branch of the association. The officers of the local organization shall consist of a president, secretary, treasurer, attorney and board of five directors. These officers shall hold office one year and until their successors are elected.

SEC. 2. As it frequently happens that a meeting of the local members cannot be held as soon as is desirable, the traveling agents of the association are given authority to appoint the first officers of the local board: Provided, however, that officers so appointed shall only hold office until the members of the local board meet and elect their successors.

SEC. 3. It shall be the duty of the officers of the local board to pass on all applications for loans which are received by the association from members residing in the town where such local board is located, and to protect the interests of the association in all practicable ways.

SEC. 4. Members may, if they so desire, make monthly payments on stock to the local treasurer.

SEC. 5. As soon as the officers of the local board have been appointed or elected, and the names of such officers have been certified to the association by a traveling agent or by the local secretary, a local-board charter shall be issued to such board.

SEC. 6. The president of the local board shall call a meeting thereof whenever three members shall request him to do so.

ARTICLE X.

SECTION 1. The stock of the association shall be divided into two classes, to be known as class "A" and class "B," respectively. All stock issued previous to the 22d day of June, 1889, shall belong to class "A," and all stock issued on and after the 22d day of June, 1889, shall belong to class "B."

ARTICLE XI.

All stock belonging to class "A" shall be subject to and be governed by the rules and conditions expressed in this article, as follows:

SECTION 1. Stock may be withdrawn upon sixty days' notice, as

hereinafter provided. Members may withdraw the installments paid on unpledged shares after two years from the date of the certificate, if all dues and fines are paid to date of withdrawal, provided that when a member dies his personal representatives may withdraw such shares at any time.

SEC. 2. If a share is withdrawn at any time before it matures, the holder thereof will be entitled to receive the amount paid into the loan fund in monthly payments on such shares, together with six per cent. annual interest, less any losses to which it may be subject.

SEC. 3. Whenever in any case payments upon stock have been in arrears for six months or more, such stock shall be sold at auction for the purpose of paying the arrearages. The surplus arising from such sale, after paying the back monthly dues and fines, shall be paid to the original owner. If the stock does not bring enough to pay what is due thereon, it shall be bid in by the association and cancelled, and the amount standing to the credit thereof in the loan fund shall be divided among the other shares as profits. Whenever any stock is to be sold for arrearages, a notice stating the time and place of such sale shall be mailed to the owner of such stock at least ten days before the date of the sale. The sale may be adjourned from time to time as may be deemed best.

SEC. 4. The payments on each share shall be sixty cents per month for each and every month until maturity, commencing one month from the date of their certificate. Payments shall be due each subsequent month on the day of the month on which the certificate is dated: Provided, however, that the board of directors may require the monthly payments on all or a portion of the stock outstanding to be paid on the same day of the month. Fifty cents per month per share shall be paid into the loan fund, and ten cents per month per share shall be devoted to operating expenses.

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ARTICLE XII.

All stock belonging to class "B" shall be subject to and be governed by the rules and conditions contained in this article as follows:

SECTION 1. Stock may be withdrawn upon sixty days' notice as hereinafter provided. Members may withdraw the installments paid on unpledged shares one year from the date of the certificate provided that when the member dies his personal representatives may withdraw such shares at any time.

SEC. 2. If a share is withdrawn before two years from the date of the certificate the holder will be entitled to receive the amount paid into the loan fund thereon in monthly payments. If a share is withdrawn at any time after two years and before maturity the holder will be entitled to receive the amount paid into the loan fund in monthly payments thereon together with three-fourths of the profits standing to the credit of such shares.

SEC. 3. If any monthly payment on any shares becomes past due for a period of sixty days or more, such share may be declared for-

feited by the board of directors. Stock so forfeited may be sold at a monthly meeting of the board of directors, to the highest bidder. If stock which is less than one year old brings on such sale less than the amount of the arrearages and fines, then such stock shall be bid in by the association and the amount standing to the credit thereof in the loan fund shall be treated as profits and shall be credited to the other shares. If stock sold as aforesaid be one year or more old at the time of sale, it shall be bid in by the association at its withdrawal value unless a higher bid is offered. On any sale of stock the amount realized therefrom less all fines and arrearages due on the stock sold shall be paid to the member owning the same at the time of sale.

SEC. 4. Whenever any stock is transferred an admission fee of fifty cents per share shall be paid by the purchaser, provided that in no event shall such fee be less than one dollar or more than three dollars on any one certificate.

SEC. 5. The payments on each share shall be sixty cents per month for each and every month until maturity, commencing one month from the date of the certificate. Payment shall be due each subsequent month on the day of the month on which the certificate is dated. Provided, however, that the board of directors may require the monthly payments on all or a portion of the stock outstanding to be paid on the same day of the month. There may be deducted from the monthly payments for expenses such sum as may be deemed necessary by the board of directors, not exceeding, however, one dollar per year per share. The remainder of such monthly payments shall be paid into the loan fund.

ARTICLE XIII.

SECTION 1. These by-laws may be amended at any meeting of the board of directors by a three-quarters vote of a full board.

91 EXHIBIT "E."

Revised By-laws of the American Building and Loan Association of Minneapolis, Minnesota.

ARTICLE I.—*Membership.*

SECTION I. Any person may become a member of this association by making a written application for membership therein and paying the admission fee, and subscribing for one or more shares of its capital stock. Provided, that such application shall be accepted and approved by the board of directors.

SEC. II. To every person who has complied with the requisites for membership and whose application has been accepted and approved by the board of directors, shall be issued a certificate of stock, bearing the signatures of the president and secretary, or the fac-similes thereof, and the impress of the corporate seal of the association.

ARTICLE II.—*Admission Fees, Monthly Payments, Fines.*

SECTION I. The admission fee for all members subscribing for installment stock shall be one dollar per share for five or more shares; for a less number it shall be as follows:

One share	$2.00
Two shares	3.00
Three shares	4.00
Four shares	4.50

SEC. II. The admission fee on "paid-up" and "full-paid" stock shall be $2 and $4 respectively, to be deducted from the price per share at which such stock is sold.

SEC. III. Whenever any stock is transferred, the assignee shall pay an admission fee of fifty cents per share, but in no case shall such fee be less than one dollar or more than three dollars on any one certificate.

SEC. IV. The payments on each share of installment stock, of whatever class or series, shall be sixty cents per month for each and every month until maturity, commencing one month from the date of the certificate. Payments shall be due each subsequent month, on the day of the month on which the certificate is dated. Provided, however, that the board of directors may require the monthly payments on all or a portion of the stock outstanding to be paid on the same day of the month.

SEC. V. Any stockholder may make his monthly payments in advance, and when a payment for six months or more in advance is made at any one time, the shareholder shall receive such interest or discount on account thereof as the board of directors may deem advisable.

SEC. VI. If any monthly installment is not paid when due, a fine of ten cents per share shall be imposed for each and every month such payment may be in arrears.

ARTICLE III.—*Stock.*

General Provision.

SECTION I. All stock, of whatever kind, class or series shall be governed by and subject to the provisions of this article.

SEC. II. The association shall issue four kinds of stock, to be designated as "$25 paid-up," "$20 paid-up," "$100 full-paid," and "installment stock."

SEC. III. If deemed advisable by the board of directors, the association may issue, from time to time, a limited amount of guaranty or permanent stock, of which the full par value of one hundred dollars shall be paid at the time of issue, or in installments of five dollars per share from time to time, at the option of the purchaser, and upon which an annual dividend shall be paid.

SEC. IV. The installment stock shall be divided into four classes, known as class "A," class "B," class "C," and class "D," respect-

ively. All such stock issued prior to June 23d, 1889, shall belong to class "A." All such stock issued on or after June 22d, 1889, to April 26th, 1890, shall belong to class "B." All such stock issued on and after April 26th, 1890, to June 1st, 1891, shall belong to class "C." All such stock issued on and after June 1st, 1891, until a further division, shall belong to class "D."

SEC. V. Shares of stock may be arranged and issued in series, if the board of directors deem it advisable. All stock issued prior to August 1, 1890, shall belong to the first series, and that issued subsequent to such date, until a further division, shall belong to the second series.

SEC. VI. Shares in good standing, properly assigned by instrument in writing, may be transferred on payment to the association, by the purchaser, of an admission fee of fifty cents per share, but in no case shall such fee be less than one dollar or more that three dollars on any one certificate. Shares pledged to the association as collateral security, or upon which there is a lien for any debt due or owing by the shareholder, can be transferred only on payment of such debt. Stock pledged to the association as collateral security for real-estate loans, can be transferred only to the purchaser of the mortgaged property, who shall, in the deed of conveyance, assume and agree to pay the mortgage debt according to the terms and conditions thereof. No transfer shall be operative, except it be approved by the secretary and made on the books of the association.

92 SEC. VII. At any time after one year from the date of his certificate, if all dues and fines are paid, any shareholder may return his certificate and secure a reduction of the number of shares, in which event the payments already made will be applied as for payments on the lesser number of shares, and no further payments will be required thereon until the expiration of the time for which such amount will carry them. Provided, however, that no reduction of shares pledged for a loan, or upon which there is a lien, will be allowed, unless such loan be paid or lien discharged. A fee of one dollar shall be charged for such reduction.

SEC. VIII. Any debt due or owing the association from or by a shareholder shall be a lien on his shares, whether they be pledged to the association as collateral security or not, and such shares shall not be transferred, reduced or withdrawn, unless such debt be paid or lien discharged.

SEC. IX. Whenever the amount standing to the credit of a share equals one hundred dollars, such share shall be deemed to have matured, and the holder thereof shall be entitled to receive one hundred dollars therefor, together with all additional profits which may have been apportioned thereto.

SEC. X. At any time before or after the maturity of any share, the board of directors may, if it shall appear to them to be for the best interests of the corporation, retire and cancel the same at its then value, in such manner and under such regulations as may be deemed advisable.

SEC. XI. Upon the death of a shareholder, his heirs or legal rep-

resentatives, upon giving sixty days' notice, in writing, to the association, may withdraw his shares at their then withdrawal value.

SEC. XII. If the net rate of profit for the time the association has had the use of all of its funds shall not amount to the rates of interest to which the withdrawing shareholder may be entitled under the provisions of articles IV, V, VI, VII, VIII, IX, of these by-laws, when computed on the amounts paid into the loan fund on all shares in force at the time such withdrawal is made, then the shareholder shall be entitled only to the rate per cent. found to have been earned as net profits during such period.

SEC. XIII. If by reason of extraordinary losses the entire net profit is exhausted, the withdrawing shareholder shall not be entitled to interest, and if for the same reason the association is compelled to charge such losses against its capital actually paid in, all withdrawing shares shall be subject to a *pro rata* charge of such losses with those remaining undrawn, and the withdrawing member shall be entitled to only such sum as may be found to be due him after an adjustment of such losses among all the shareholders.

SEC. XIV. On receipt by the withdrawing shareholder of the amount which may be found to be due him after an adjustment of losses among all the shareholders, such shareholder shall have no further claim on the association by reason of his shares or the payment made thereon.

SEC. XV. Withdrawing shareholders shall be paid in the order in which notice of withdrawal is given, but the association shall not be required, without the consent of the board of directors, to use for that purpose in any one month more than one-half of the net receipts of the loan fund for that month. This provision shall not apply to the $100 full-paid stock.

ARTICLE IV.—*Stock*—Continued.

Class "A."

SECTION I. All stock belonging to class "A" shall be subject to and governed by the following rules and conditions in addition to the general provisions set forth in article III.

SEC. II. Ten cents per share per month shall be deducted from the monthly payments and devoted to the operating expenses of the association and the balance of such payments, or fifty cents per share per month, shall be credited to the loan fund.

SEC. III. Any shareholder whose shares have not been pledged as security for a loan and upon which there is no lien for a debt due or owing the association, and upon which at least twenty-four monthly payments have been made, may withdraw his shares at any time after twenty-four months from the date of his certificate on giving sixty days' notice of his intention to withdraw; but such notice if given prior to the expiration of the said twenty-four months, shall not take effect until the expiration of such time, and if given after, all arrearages of dues and fines must be paid to the time of giving such notice. After the expiration of the

twenty-four months, notice of withdrawal having been given, the shareholder shall cease to be a member of the association, and the relation existing between the association and such shareholder shall be construed to be that of debtor and creditor.

SEC. IV. If a share is withdrawn before maturity the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon, together with six per cent. annual interest on such amount for the average time the payments have been on deposit, less any losses which may be charged thereto.

SEC. V. Whenever the monthly payments have become in arrears for six months or more, such stock shall at a monthly meeting of the board of directors, be sold at auction to the highest bidder for the purpose of paying the arrearages and fines. The surplus arising from such sale after paying arrearages and fines shall be placed to the credit of the original owner and paid to him on demand. If the stock does not bring enough to pay such arrearages and
93 fines, it shall be bid in by the association and cancelled, and the amount standing to the credit thereof in the loan fund shall be divided among the other shares as profits.

A notice of such sale stating the time and place thereof shall be mailed, postage prepaid, to the owner at his last-known address at least ten days before the date of sale. The sale may be adjourned from time to time as may seem best.

ARTICLE V.—*Stock*—Continued.

Class "B."

SECTION I. All stock belonging to class "B" shall be subject to and governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. One dollar per year per share shall be deducted from the monthly payments and devoted to the operating expenses of the association, and the balance, or $6.20 per share per year, shall be credited to the loan fund.

SEC. III. Any shareholder whose shares have not been pledged as security for a loan and upon which there is no lien for a debt due or owing the association, and upon which at least twelve monthly payments have been made, may withdraw his shares at any time after twelve months from the date of his certificate on giving sixty days' notice of his intention to withdraw; but such notice if given prior to the expiration of the said twelve months, shall not take effect until the expiration of such time, and if given after, all arrearages of dues and fines must be paid to the time of giving such notice. After the expiration of the twelve months, notice of withdrawal having been given, the shareholder shall cease to be a member of the association and the relation existing between the association and such shareholder shall be construed to be that of debtor or creditor.

SEC. IV. If a share is withdrawn before two years from the date of the certificate, the holder thereof shall receive the amount paid

into the loan fund in monthly payments thereon, together with one-fourth of the profits standing to the credit of such share.

SEC. V. If a share is withdrawn at any time before two years and before maturity, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon, together with three-fourths of the profits standing to the credit of such share.

SEC. VI. If any monthly payment on any share becomes past due for a period of sixty days or more, such share shall be sold at auction at a monthly meeting of the board of directors, to the highest bidder. If stock which is less than one year old brings at such sale less than the amount of the arrearages and fines, then such stock shall be bid in by the association, and the amount standing to the credit thereof in the loan fund shall be treated as profits and shall be credited to the other shares. If stock sold as aforesaid be one year or more old at the time of sale, it shall be bid in by the association at its withdrawal value unless a higher bid is offered. The amount realized from such sale of stock less all fines and arrearages due on the stock sold shall be credited to the member owning the same at the time of sale, and paid to him on demand. The sale may be adjourned from time to time, as may seem best.

ARTICLE VI.—*Stock*—Continued.

Class "C."

SECTION I. All stock belonging to class "C" shall be subject to and governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. One dollar per year per share shall be deducted from the monthly payments and devoted to the operating expenses of the association, and the balance, or $6.20 per share per year, shall be credited to the loan fund.

SEC. III. Any shareholder whose shares have not been pledged as security for a loan and upon which there is no lien for a debt due or owing the association, and upon which at least twelve monthly payments have been made, may withdraw his shares at any time after twelve months from the date of his certificate on giving sixty days' notice of his intention to withdraw; but such notice, if given prior to the expiration of the said twelve months, shall not take effect until the expiration of such time, and if given after, all arrearages of dues and fines must be paid to the time of giving such notice. After the expiration of twelve months, notice of withdrawal having been given, the shareholder shall cease to be a member of the association, and the relation existing between the association and such shareholder shall be construed to be that of debtor and creditor.

SEC. IV. If a share is withdrawn before two years from the date of the certificate, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon.

SEC. V. If a share is withdrawn at any time after two years, and before maturity, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon, together with three-quarters of the profits standing to the credit of such share.

SEC. VI. If any monthly payment on any share becomes past due for a period of sixty days or more, such share shall, at a monthly meeting of the board of directors, be sold at auction to the highest bidder. If stock which is less than one year old brings on such sale less than the amount of the arrearages and fines, then such stock shall be bid in by the association, and the amount standing to the credit thereof in the loan fund shall be treated as profits and shall be credited to the other shares. If stock sold as aforesaid be one year or more old at the time of sale, it shall be bid in by the association at its withdrawal value, unless a higher bid is
94 offered. On any sale of stock, the amount realized therefrom, less all fines and arrearages due on the stock sold, shall be credited to the member owning the same at the time of sale, and paid to him on demand therefor. Such sale may be adjourned from time to time, as may seem best.

ARTICLE VII.—*Stock*—Continued.

Class "D."

SECTION I. All stock belonging to class "D" shall be subject to and governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. A shareholder may at any time give notice in writing to the secretary of his intention to withdraw, and his liability to pay further installments shall cease with such notice; but such shareholders shall not be entitled to withdraw until after the expiration of twenty-four months from the date of the first monthly payment.

SEC. III. The withdrawing shareholder who has made less than twenty-four monthly payments shall receive the entire amount paid as monthly payments less fifty cents as and for a withdrawal fee and less two per cent. of the amount so paid as and for a contingent fund. If the monthly payments are in arrears when notice of withdrawal is given, a further deduction of ten cents per share as fines for delinquent payments shall be made for each month such payments are in arrears, but in no case shall the amount deducted as fines exceed sixty cents per share.

SEC. IV. The withdrawing shareholder who has made twenty-four or more payments and less than thirty-six, shall receive the entire amount paid as monthly payments, less the deductions provided by section 3 of this article and interest on such amount at the rate of five per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. V. The withdrawing shareholder who has made thirty-six or more monthly payments and less than forty-eight shall receive the entire amount paid as monthly payments less the deductions provided by section 3 of this article, and interest on the amount so paid at the rate of six per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. VI. The withdrawing shareholder who has made forty-eight or more monthly payments and less than sixty, shall receive the entire amount paid as monthly payments less the deductions as provided

by section 3 of this article, and interest on such amount at the rate of seven per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. VII. If the withdrawing shareholder has made sixty or more payments and the shares have not matured, he shall receive the entire amount paid as monthly payments less the deductions as provided by section 3 of this article, and interest on such amount at the rate of eight per cent. per annum for the actual time the association has had the payments.

SEC. VIII. If delinquent shares are not reclaimed, or an application for the withdrawal thereof made within twenty-four months from the date of the last monthly payment, the balance to the credit of such shares shall be transferred to the contingent fund and the shareholder shall have no further claim upon the association on account of such shares, or the payments thereon.

ARTICLE VIII.—*Stock*—Continued.

$50 *Paid-up and* $40 *Paid-up.*

SECTION I. This stock shall be subject to and governed by the following rules and conditions, in addition to those set forth in article III.

SEC. II. Owners of $50 paid-up stock shall be entitled to receive a semi-annual dividend of $1.50 per share, payable on the 1st day of March and the 1st day of September in each year, until such stock matures or is withdrawn. The dividends so paid shall be deducted from the profits accruing thereon, and the balance of the profits shall be placed to the credit of the stock on the books of the association.

SEC. III. The holders of $40 paid-up stock shall not be entitled to dividends, but the entire profits accruing thereon shall be credited to the stock on the books of the association.

SEC. IV. Both the $50 paid-up stock and the $40 paid-up stock may be withdrawn at any time after two years from the date of the certificate, but the shareholder shall be first required to give to the association, in writing, sixty days' notice of his intended withdrawal.

SEC. V. On withdrawal before maturity, the holder of the $50 paid-up stock shall be entitled to receive $50 per share, and the holder of the $40 paid-up stock shall receive $40 per share, and interest at the rate of six per cent. per annum.

ARTICLE IX.—*Stock*—Continued.

$25 *Paid-up and* $20 *Paid-up.*

SECTION I. This stock shall be subject to and governed by the following rules and conditions, in addition to those set forth in article III.

SEC. II. Paid-up stock may be issued and sold at the price of $25 per share, which shall include the admission fee, and no further payments shall be required thereon. The holder of this stock shall be entitled to receive a semi-annual dividend thereon of 75 cents

per share, payable on the 1st day of March and the 1st day of September in each year. Such dividends shall be deducted from the profits accruing on the stock, and the balance of the profits shall be credited to the stock on the books of the association.

95 SEC. III. Paid-up stock may be issued and sold at the price of $20 per share, which shall include the admission fee, and no further payments shall be required thereon. The holder of this stock shall be entitled to receive no dividends, but the entire profits accruing thereon shall be credited to the stock on the books of the association.

SEC. IV. Both the $25 paid-up stock and the $20 paid-up stock may be withdrawn at any time after one year from the date of the certificate, but the shareholder shall first be required to give to the association, in writing, sixty days' notice of his intended withdrawal.

SEC. V. On the withdrawal of the $25 paid-up stock at any time before two years from the date of the certificate, the holder thereof shall be entitled to receive $25 per share, less such dividends as have been paid thereon. If such stock be withdrawn at any time after two years from the date of the certificate, and before maturity, the holder thereof shall be entitled to receive $25 per share and three-fourths of the profits standing to the credit of the stock on the books of the association, less such dividends as have been paid thereon.

SEC. VI. On withdrawal of the $20 paid-up stock at any time before two years from the date of a certificate, the holder thereof shall be entitled to receive $20 per share. If such stock be withdrawn at any time after two years from the date of the certificate and before maturity, the holder thereof shall be entitled to receive $20 per share and three-fourths of the profits standing to the credit of the stock on the books of the association.

ARTICLE X.—*Stock*—Continued.

$100 *Full-paid.*

SECTION I. This stock shall be subject to and governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. Full-paid stock may be issued and sold at the price of $100 per share which shall include the admission fee, and no further payments will be required thereon.

SEC. III. The $100 full-paid stock shall be divided into three classes: The first class shall be withdrawable in one year, the second class in five years, and the third class in ten years.

SEC. IV. The holder of full-paid stock of the first class shall be entitled to receive interest thereon at the rate of five per cent. per annum.

The holder of full-paid stock of the second class shall be entitled to receive interest thereon at the rate of six per cent. per annum.

The holder of full-paid stock of the third class shall be entitled to receive interest thereon at the rate of seven per cent. per annum.

The interest payments shall be made semi-annually on the 1st day of January, and the 1st day of July, in each year.

ARTICLE XI.—*Funds.*

SECTION I. The receipts of the association shall be divided into two classes, to be known as the expense fund and the loan fund.

SEC. II. The expense fund shall consist of the following items: All fees; a part of the monthly payments on installment stock not exceeding $1.20 per share per year on stock in class "A," and $1 per share per year on stock in classes "B" and "C," $1 per share per year, to be deducted from the payments on "paid-up" stock issued prior to June 1st, 1891; a portion of the profits accruing on installment stock in class "D," and on "paid-up" and "full-paid" stock issued subsequent to June 1st, 1891, not to exceed fourteen per cent. of the net receipts of payments on such stock, and all fines received for delinquent payments on installment stock in class "D."

SEC. III. The loan fund shall consist of all receipts which do not belong to the expense fund as hereinbefore provided.

SEC. IV. The loan fund can be used only for loans or investments approved by the board of directors or the loan committee, for the payment of withdrawals, for the payment of taxes and insurance, and for the protection of the interests of the association in property upon which loans have been made.

SEC. V. For all money to be disbursed by the treasurer from the loan fund a warrant or order on the treasurer shall be drawn signed by both president and secretary.

SEC. VI. During the months of January, April, July and October in each year, all undivided profits shall be apportioned to the shares in force.

SEC. VII. On withdrawal of shares in class "D" before maturity there shall be deducted from the amount paid thereon as monthly payments, two per cent. of the amount so paid, which shall be credited to the contingent fund. To this fund shall also belong all stock payments which shall be forfeited to the association as provided by section 8, article VII, of these by-laws.

SEC. VIII. The contingent fund shall be used in the payment of any losses that the association may sustain in the usual course of its business, but should the amount standing to the credit of such fund exceed that necessary to meet such contingencies, such portion thereof as may be deemed advisable by the board of directors may be loaned to the members, in which event the profits of such loans shall be credited to the shareholders.

96 ARTICLE XII.—*Loans.*

SECTION I. The funds of said association which shall belong to the loan fund shall be loaned to the member offering to pay the highest premium therefor, in addition to the stipulated six per cent. per annum, upon such terms and security as the loan committee may from time to time approve, provided that the rate of interest shall be six per cent. per annum. Payments of interest and

premium shall be made either in advance, at the time the loan is made, or monthly, as the directors may deem best.

SEC. II. Loans shall be awarded at the regular monthly meeting of the board of directors, on the second Thursday in each month, when there are sufficient funds therefor, and as much oftener as may appear to such board to be advisable.

SEC. III. A member desiring a loan shall file a written application therefor with the association, accompanied by a sealed bid, stating the amount of premium per share, in addition to six per cent. interest, which the applicant is willing to pay for such loan. But no applications shall be received until three months from the date of the applicant's certificate of stock, unless the board of directors shall, for a good reason, determine to the contrary.

SEC. IV. Bids shall be opened on the second Thursday of each month, and at such other times as the board of directors may deem advisable. Any member, or his agent or attorney, may be present when such bids are opened. All bids shall be kept on file, and after being opened shall be subject to the inspection of any person interested.

SEC. V. A member desiring a loan shall advance $10 for the purpose of securing the payment of the expense of making the loan and the examination of the title, unless that amount already stands to the credit of his stock in the loan fund. An abstract of title must be furnished in all cases by the applicant, and he must pay for the examination of the same, for the record of the mortgage and all other expenses connected with the loan.

SEC. VI. If the application, on its face, appears to the board of directors to be satisfactory, and if a bid, when opened, is found to be sufficient, appraisals of the property offered as security shall be immediately secured from at least three different and disinterested persons. The applicant shall be required to pay, as appraisal fees, the sum of $5.00 on the first $1,000, or fractional part thereof applied for, and $1 for each additional $1,000, or fractional part thereof.

SEC. VII. If the loan is granted, the expenses thereof unless otherwise provided for, may be deducted from the amount of the loan. If it is rejected because the security is not satisfactory, the expense incurred may be charged up against the stock of the applicant, and unless otherwise paid, it may be deducted from the amount standing to the credit thereof.

SEC. VIII. Loans on real estate may be repaid at any time on thirty days' notice. If a borrower neglects to pay any interest, dues or monthly payments for a period of two months from the time the same shall become due, or if he neglects to pay his insurance, taxes, or assessments on the day on which they fall due, then the whole principal sum mentioned in the mortgage, and note or bond shall at once become due and payable, without notice, and proceedings may be commenced forthwith to foreclose such mortgage, or to collect said loan or note, in such manner as the board of directors may deem best.

SEC. IX. All buildings on which loans are made shall be kept

insured by the owner at his own expense, and the insurance made payable to the association, as its interest may appear. All policies shall be renewed and turned over to the association at least forty-eight hours before expiration. But in case the owner shall fail to obtain such insurance or renewal, the association shall procure such insurance or renewal, and the expense thereof shall be charged to the owner. Provided, that the association may, if deemed advisable by the board of directors, place all insurance on property on which loans have been made, and charge the expense thereof to the owner, such expense not to exceed the rate usually charged on like risks.

SEC. X. Members obtaining loans shall execute such notes or bonds and mortgages as shall be required by the board of directors.

SEC. XI. After shares have been in force two years, the owner may obtain a loan on them without other security, but not to exceed 75 per cent. of the amount in the loan fund to the credit of such shares at the time the loan is made.

SEC. XII. A loan committee consisting of five directors, shall be appointed by the board of directors and no loan shall be granted unless the security offered therefor shall be approved by three members of said committee.

SEC. XIII. Every borrower must assign to the association as collateral security for his loan, one share of stock for each $100 of his loan including the premium.

SEC. XIV. The term "loan" as used in these by-laws and in the printed literature and blanks of the association, is employed for convenience merely, and shall not in any case be construed to define the real nature of the transaction between the association and the member who obtains an advancement on the maturity value of his stock as provided in this article; but such transaction shall be construed as a discount of or advancement on the shares owned by the member in anticipation of their maturity, there being no promise or agreement on the part of such member to repay the principal.

97 ARTICLE XIII.—*Meetings—Elections.*

SECTION I. The annual meeting of the stockholders of the association shall be held on the last Tuesday of July in each year. The annual meeting of the board of directors shall be held within ten days after the annual meeting of the stockholders in each year.

SEC. II. The board of directors shall meet on the second Thursday of each month, and as much oftener as may be deemed advisable.

SEC. III. Special meetings of the association or of the board of directors may be called upon the written request of three directors.

SEC. IV. At least thirty days prior to any special or annual meeting of the association, a notice stating the time and place of such meeting shall be deposited in the post-office at Minneapolis, Minnesota, directed to each member at his address as the same appears at the time on the books of the association, and the deposit of such notice as aforesaid, postage prepaid, shall be deemed a legal and sufficient notice of any such meeting, and there shall be attached to and accompanying such notice any proposed amendment or amendments to the articles of incorporation and a statement of any officers

to be elected at such meeting. Information of any other matter of which members need notice may be given in a like manner.

SEC. V. Any proposed amendment of which notice shall have been duly given may be adopted at such meeting by a vote of two-thirds of the stock represented and voting thereat.

SEC. VI. Members present in person or by proxy, entitled to 10,000 votes, shall constitute a quorum at any annual or special meeting of the association.

SEC. VII. Every member shall be entitled to one vote for each share of stock he holds, provided that the holders of installment stock shall have made at least one monthly payment of dues.

SEC. VIII. No member whose payments are in arrears shall be allowed to vote until such arrears are paid.

SEC. IX. No member who has borrowed money shall be allowed to vote on any question affecting the claim of the association against himself.

SEC. X. Any member may authorize another person by written proxy to vote his shares, provided that all proxies shall be filed with the president at least fifteen days before the opening of the meeting at which they are to be used. And provided further that no person shall cast more than 500 votes on proxies, and no officer, agent or employé of the association shall be allowed to hold any proxies.

SEC. XI. All elections shall be by ballot.

ARTICLE XIV.—*Officers.*

SECTION I. President.—The president shall preside at all meetings of the association and of the board of directors. He shall in conjunction with the secretary draw warrants on the treasurer for the disbursement of the funds of the association, as provided by section 5 of article XI of these by-laws, execute all contracts, notes, bonds, mortgages, leases, releases, or other instruments of writing, but no such act shall be valid unless done under the direction or by the authority of the board of directors.

SEC. II. Vice-president.—The vice-president shall perform all the duties of the president during his absence or disability.

SEC. III. Secretary.—The secretary shall attend all meetings of the association and of the board of directors, and shall keep full, accurate and complete minutes of all their meetings in the books provided for that purpose. In conjunction with the president, he shall draw warrants on the treasurer for the disbursement of the funds of the association, as provided by section 5 of article XI of these by-laws, execute all contracts, notes, bonds, mortgages, leases, releases and other instruments of writing, but no such act shall be valid unless done under the direction or by authority of the board of directors. The secretary shall have the custody of the corporate seal of the association.

SEC. IV. Treasurer.—The treasurer shall have charge of the funds of the association, and shall promptly deposit the same in such bank or banks and in such amounts as the board of directors may designate for that purpose, and shall promptly issue checks for the dis-

bursement of the money on a proper warrant therefor. He shall render to the board of directors a statement of the condition of the funds under his charge whenever requested so to do by such board.

SEC. V. Board of directors.—The board of directors shall fill all vacancies which may occur either among the officers or directors, provided that vacancies in said board shall be filled at its next regular or special meeting after such vacancy occurs. The said board may enter into such contracts and agreements and appoint such agents for its business management as may be deemed for the best interests of the association.

SEC. VI. Any officer or director who shall wilfully disregard the orders of the board of directors, or by arbitrary or unreasonable delays embarrass the association in its practical workings, may be removed by a majority vote of the board of directors.

SEC. VII. All officers shall insure to the association the faithful performance of their duties by such guarantees, sureties, or bonds of indemnity as the board of directors may provide, and as may be required by law.

ARTICLE XV.—*Local Boards.*

SECTION I. Whenever a sufficient amount of stock has been sold in any town, and if it shall be deemed to be for the best in-
98 terests of the association, the members in such towns may organize a local board. The officers of the local organization shall consist of a president, secretary, treasurer and a board of five directors, who shall hold office for one year, or until their successors are elected and qualified.

SEC. II. If a meeting of the local members cannot be secured as soon as desirable, the traveling agents of the association may appoint the first officers of the local organization, and the officers so appointed shall hold office only until the members of the local board meet and elect their successors.

SEC. III. It shall be the duty of the officers of the local board to protect the interests of the association in every practicable way.

SEC. IV. It shall be the duty of the local treasurer to receive and receipt for all payments made to him by the local members, and to promptly remit such payments to the home office.

SEC. V. The local treasurer shall be deemed the agent of the shareholders, and payment to such treasurer shall not be considered as payment to the association until such payment is received at the home office. Provided, that if the election of the local treasurer, or his appointment by the traveling agent shall have been ratified by the association, by appointment in writing under the hand of the secretary, then such treasurer shall be considered the agent of the association.

SEC. VI. As soon as the officers of the local board have been appointed or elected, and the names of such officers have been certified to the association by a traveling agent, or by the local secretary, a local-board charter shall be issued to such board.

SEC. VII. The president of the local board shall call a meeting thereof whenever three members shall request him to do so.

ARTICLE XVI.—*Miscellaneous.*

SECTION I. No contract made in behalf of the association shall be valid, except it be made with the approval of the board of directors. All written contracts shall be executed by the president and secretary, and sealed with the corporate seal of the association.

SEC. II. All contracts made by or with this association shall be deemed to have been made at the home office, in Minneapolis, Minnesota.

SEC. III. All money due from members to the association, or from it to the members, shall be payable at the home office, in Minneapolis, Minnesota.

SEC. IV. These by-laws may be amended at any meeting of the board of directors, by a three-quarter vote of a full board.

99 EXHIBIT "F."

Revised By-laws of the American Savings and Loan Association of Minneapolis, Minnesota, Adopted May 14th, 1892.

ARTICLE I.—*Membership.*

SECTION I. Any person may become a member of this association by making a written application for membership therein and paying the admission fee, and subscribing for one or more shares of its capital stock. Provided, that such application shall be accepted and approved by the board of directors.

SEC. II. To every person who has complied with the requisites for membership, and whose application has been accepted and approved by the board of directors, shall be issued a certificate of stock, bearing the signatures of the president and secretary, or the fac-similes thereof, and the impress of the corporate seal of the association.

ARTICLE II.

SECTION I. The admission fee for all members subscribing for installment stock in class "D" shall be two dollars per share, and in class "F," three dollars per share.

SEC. II. The admission fee on "paid-up" and "full-paid" stock shall be $2 and $4 respectively, to be deducted from the price per share at which such stock is sold.

SEC. III. Whenever any stock is transferred, the assignee shall pay an admission fee of fifty cents per share, but in no case shall such fee be less than one dollar or more than three dollars on any one certificate.

SEC. IV. The payments on each share of installment stock, of whatever class or series, shall be sixty cents per share for each and every month until maturity, commencing one month from the date of the certificate. Provided, however, that the monthly payments on stock in class "F" shall be one dollar per share per month. Payments shall be due each subsequent month, on the day of the month on which the certificate is dated.

SEC. V. Any stockholder may make his monthly payments in advance, and when a payment for six months or more in advance is made at any one time, the shareholder shall receive such interest or discount on account thereof as the board of directors may deem advisable.

SEC. VI. If any monthly installment is not paid when due, a fine of ten cents per share shall be imposed for each and every month such payment may be in arrears.

ARTICLE III.—*Stock.*

General Provision.

SECTION I. All stock, of whatever kind, class or series, shall be governed by and subject to the provisions of this article.

SEC. II. The association shall issue four kinds of stock, to be designated as "$25 paid-up," "$20 paid-up," "$100 full-paid," and "installment" stock.

SEC. III. If deemed advisable by the board of directors, the association may issue, from time to time, a limited amount of guaranty or permanent stock, of which the full par value of one hundred dollars shall be paid at the time of issue or in installments of five dollars per share from time to time, at the option of the purchaser, and upon which an annual dividend shall be paid.

SEC. IV. The installment stock is divided into five classes, known as class "A," class "B," class "C," class "D" and class "F" respectively. All such stock issued prior to June 22, 1889, belongs to class "A." All such stock issued on or after June 22, 1889, to April 26, 1890, belongs to class "B." All such stock issued on and after April 26, 1890, to June 1, 1891, belongs to class "C." Classes "D" and "F" comprise installment stock issued on and after June 1, 1891.

SEC. V. Shares of stock may be arranged and issued in series if the board of directors deem it advisable. All stock issued prior to August 1, 1890, shall belong to the first series, and that issued subsequent to such date, until a further division, shall belong to the second class.

SEC. VI. Shares in good standing, properly assigned by instrument in writing may be transferred on payment to the association by the purchaser of an admission fee of fifty cents per share, but in no case shall such fee be less than one dollar or more than three dollars on any one certificate. Shares pledged to the association as collateral security or upon which there is a loan for any debt due or owing by the shareholder, can be transferred only on payment of such debt. Stock pledged to the association as collateral security for real-estate loans, can be transferred only to the purchaser of the mortgaged property, who shall in the deed of conveyance assume and agree to pay the mortgage debt according to the terms and conditions thereof. No transfer shall be operative except it be approved by the secretary and made on the books of the association.

SEC. VII. At any time after one year from the date of his certifi-

cate, if all dues and fines are paid, any shareholder may return his certificate and secure a reduction of the number of shares, in which event the payments already made will be applied as for payments on the lesser number of shares, and no further payments will be required thereon until the expiration of the time for which such amount will carry them. Provided, however, that no reduction of shares pledged for a loan or upon which there is a lien, will be allowed, unless such loan be paid or lien discharged. A fee of one dollar shall be charged for such reduction.

100

SEC. VIII. Any debt due or owing the association from or by a shareholder shall be a lien on his shares, whether they be pledged to the association as collateral security or not, and such shares shall not be transferred, reduced or withdrawn unless such debt be paid or lien discharged.

SEC. IX. Whenever the amount standing to the credit of a share equals one hundred dollars, such share shall be deemed to have matured, and the holder thereof shall be entitled to receive one hundred dollars therefor, together with all additional profits which may have been apportioned thereto.

SEC. X. At any time before or after the maturity of any share, the board of directors may, if it shall appear to them to be for the best interests of the corporation, retire and cancel the same at its then value in such manner and under such regulations as may be deemed advisable.

SEC. XI. Upon the death of a shareholder, his heirs or legal representatives, upon giving sixty days' notice, in writing, to the association, may withdraw his shares at their then withdrawal value.

SEC. XII. If the net rate of profit to the time the association has had the use of all of its funds shall not amount to the rates of interest to which the withdrawing shareholder may be entitled under the provisions of articles IV, V, VI, VII, VIII, IX and XI of these by-laws, when computed on the amounts paid into the loan fund on all shares in force at the time such withdrawal is made, then the shareholder shall be entitled only to the rate per cent. found to have been earned as net profits during such period.

SEC. XIII. If by reason of extraordinary losses the entire net profit is exhausted, the withdrawing shareholder shall not be entitled to interest, and if for the same reason the association is compelled to charge such losses against its capital actually paid in, all withdrawing shares shall be subject to a *pro rata* charge of such losses with those remaining undrawn, and the withdrawing member shall be entitled to only such sum as may be found to be due him after an adjustment of such losses among all the shareholders.

SEC. XIV. On receipt by the withdrawing shareholder of the amount which may be found to be due him after an adjustment of losses among all the shareholders, such shareholder shall have no further claim on the association by reason of his shares or payments made thereon.

SEC. XV. Withdrawing shareholders shall be paid in the order in which the notice of withdrawal is given, but the association shall not

be required, without the consent of the board of directors, to use for that purpose, in any one month, more than one-half of the net receipts of the loan fund for that month. This provision shall not apply to the $100 full-paid stock.

ARTICLE IV.—*Stock*—Continued.

Class "A."

SECTION I. All stock belonging to class "A" shall be subject to and governed by the following rules and conditions, in addition to the general provisions set forth in article III.

SEC. II. Ten cents per share per month shall be deducted from the monthly payments and devoted to the operating expenses of the association, and the balance of such payments, or fifty cents per share per month, shall be credited to the loan fund.

SEC. III. Any shareholder, whose shares have not been pledged as security for a loan, and upon which there is no lien for a debt due or owing the association, and upon which at least twenty-four monthly payments have been made, may withdraw his shares at any time after twenty-four months from the date of his certificate, on giving sixty days' notice of his intention to withdraw; but such notice, if given prior to the expiration of the said twenty-four months, shall not take effect until the expiration of such time, and if given after, all arrearages of dues and fines must be paid to the time of giving such notice. After the expiration of the twenty-four months, notice of withdrawal having been given, the shareholder shall cease to be a member of the association, and the relation existing between the association and such shareholder shall be construed to be that of debtor and creditor.

SEC. IV. If a share is withdrawn before maturity, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon, together with six per cent. annual interest on such amount for the average time the payments have been on deposit, less any losses which may be charged thereto.

SEC. V. Whenever the monthly payments have become in arrears for six months or more, such stock shall, at a monthly meeting of the board of directors, be sold at auction to the highest bidder, for the purpose of paying the arrearages and fines. The surplus arising from such sale, after paying arrearages and fines, shall be placed to the credit of the original owner and paid to him on demand. If the stock does not bring enough to pay such arrearages and fines, it shall be bid in by the association and cancelled, and the amount standing to the credit thereof in the loan fund shall be divided among the other shares as profits.

A notice of such sale, stating the time and the place thereof, shall be mailed, postage prepaid, to the owner at his last known address, at least ten days before the date of sale. The sale may be adjourned from time to time, as may seem best.

101 ARTICLE V.—*Stock*—Continued.

Class "B."

SECTION I. All stock belonging to class "B" shall be subject to and governed by the following rules and conditions, in addition to those set forth in article III.

SEC. II. One dollar per year per share shall be deducted from the monthly payments and devoted to the operating expenses of the association, and the balance, or $6.20 per share per year, shall be credited to the loan fund.

SEC. III. Any shareholder whose shares have not been pledged as security for a loan and upon which there is no lien for a debt due or owing the association, and upon which at least twelve months' payments have been made, may withdraw his shares at any time after twelve months from the date of his certificate on giving sixty days' notice of his intention to withdraw; but such notice if given prior to the expiration of the said twelve months, shall not take effect until the expiration of such time, and if given after, all arrearages of dues and fines must be paid to the time of giving such notice. After the expiration of the twelve months, notice of withdrawal having been given, the shareholder shall cease to be a member of the association and the relation existing between the association and such shareholder shall be construed to be that of debtor and creditor.

SEC. IV. If a share is withdrawn before two years from the date of the certificate, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon, together with one-fourth of the profits standing to the credit of such share.

SEC. V. If a share is withdrawn at any time after two years and before maturity, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon, together with three-fourths of the profits standing to the credit of such share.

SEC. VI. If any monthly payment on any share becomes past due for a period of sixty days or more, such share shall be sold at auction at a monthly meeting of the board of directors, to the highest bidder. If stock which is less than one year old brings at such sale less than the amount of the arrearages and fines, then such stock shall be bid in by the association, and the amount standing to the credit thereof in the loan fund shall be treated as profits, and shall be credited to the other shares. If stock sold as aforesaid be one year or more old at the time of the sale, it shall be bid in by the association at its withdrawal value unless a higher bid is offered. The amount realized from such sale of stock, less all fines and arrearages due on the stock sold, shall be credited to the member owning the same at the time of sale, and paid to him on demand. The sale may be adjourned from time to time, as may seem best.

ARTICLE VI.—*Stock*—Continued.

Class "C."

SECTION I. All stock belonging to class "C" shall be subject to and governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. One dollar per year per share shall be deducted from the monthly payments and devoted to the operating expenses of the association, and the balance, or $6.20 per share per year, shall be credited to the loan fund.

SEC. III. Any shareholder whose shares have not been pledged as security for a loan and upon which there is no lien for a debt due or owing the association, and upon which at least twelve monthly payments have been made, may withdraw his shares at any time after twelve months from the date of his certificate on giving sixty days' notice of his intention to withdraw; but such notice, if given prior to the expiration of the said twelve months, shall not take effect until the expiration of such time, and if given after, all arrearages of dues and fines must be paid to the time of giving such notice. After the expiration of twelve months, notice of withdrawal having been given, the shareholder shall cease to be a member of the association, and the relation existing between the association and such shareholder shall be construed to be that of debtor and creditor.

SEC. IV. If a share is withdrawn before two years from the date of the certificate, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon.

SEC. V. If a share is withdrawn at any time after two years, and before maturity, the holder thereof shall receive the amount paid into the loan fund in monthly payments thereon, together with three-quarters of the profits standing to the credit of such share.

SEC. VI. If any monthly payment on any share becomes past due for a period of sixty days or more, such share shall, at a monthly meeting of the board of directors, be sold at auction to the highest bidder. If stock which is less than one year old brings on such sale less than the amount of the arrearages and fines, then such stock shall be bid in by the association, and the amount standing to the credit thereof in the loan fund shall be treated as profits and shall be credited to the other shares. If stock sold as aforesaid be one year or more old at the time of sale, it shall be bid in by the association at its withdrawal value, unless a higher bid is offered. On any sale of stock the amount realized therefrom, less all fines and arrearages due on the stock sold, shall be credited to the member owning the same at the time of sale and paid to him on demand therefor. Such sale may be adjourned from time to time, as may seem best.

101½ (Erased by mistake.)

ARTICLE VII.—*Stock*—Continued.

Class "D."

SECTION I. All stock belonging to class "D" shall be subject to and governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. A shareholder may at any time give notice in writing to the secretary of his intention to withdraw, and his liability to pay further installments shall cease with such notice; but such shareholder shall not be entitled to withdraw until after the expiration of twenty-four months from the date of the first monthly payment.

SEC. III. The withdrawing shareholder who has made less than twenty-four monthly payments shall receive the entire amount paid as monthly payments less fifty cents as and for a withdrawal fee and less two per cent. of the amount so paid as and for a contingent fund. If the monthly payments are in arrears when notice of withdrawal is given, a further deduction of ten cents per share as fines for delinquent payments shall be made for each month such payments are in arrears, but in no case shall the amount deducted as fines exceed sixty cents per share.

SEC. IV. The withdrawing shareholder who has made twenty-four or more payments and less than thirty-six, shall receive the entire amount paid as monthly payments, less the deductions provided by section 3, of this article, and interest on such amount at the rate of five per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. V. The withdrawing shareholder who has made thirty-six or more monthly payments and less than forty-eight shall receive the entire amount paid as monthly payments less the deductions provided by section 3 of this article, and interest on the amount so paid at the rate of six per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. VI. The withdrawing shareholder who has made forty-eight monthly payments and less than sixty, shall receive the entire amount paid as monthly payments less the deductions as provided by section 3 of this article, and interest on such amount at the rate of seven per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. VII. If the withdrawing shareholder has made sixty or more payments and the shares have not matured he shall receive the entire amount paid as monthly payments less the deductions as provided by section 3 of this article, and interest on such amount at the rate of eight per cent. per annum for the actual time the association has had the payments.

SEC. VIII. If delinquent shares are not reclaimed or an application for the withdrawal thereof made within twenty-four months from the date of the last monthly payment, the balance to the credit of such shares shall be transferred to the contingent fund and the

shareholder shall have no further claim upon the association on account of such shares or the payments thereon.

ARTICLE VIII.—*Stock*—Continued.

$50 Paid-up and $40 Paid-up.

SECTION I. This stock shall be subject to and governed by the following rules and conditions, in addition to those set forth in article III.

SEC. II. Holders of $50 paid-up stock shall be entitled to receive a semi-annual dividend of $1.50 per share, payable on the 1st day of March and the 1st day of September in each year, until such stock matures or is withdrawn. The dividends so paid shall be deducted from the profits accruing thereon, and the balance of the profits shall be placed to the credit of the stock on the books of the association.

SEC. III. The holders of $40 paid-up stock shall not be entitled to dividends, but the entire profits accruing thereon shall be credited to the stock on the books of the association.

SEC. IV. Both the $50 paid-up and the $40 paid-up stock may be withdrawn at any time after two years from the date of the certificate, but the shareholder shall be first required to give to the association, in writing, sixty days' notice of his intended withdrawal.

SEC. V. On withdrawal before maturity, the holder of the $50 paid-up stock shall be entitled to receive $50 per share, and the holder of the $40 paid-up stock shall receive $40 per share and interest at the rate of six per cent. per annum.

ARTICLE IX.—*Stock*—Continued.

$25 Paid-up and $20 Paid-up.

SECTION I. This stock shall be subject to and governed by the following rules and conditions, in addition to those set forth in article III.

SEC. II. Paid-up stock may be issued and sold at the price of $25 per share, which shall include the admission fee, and no further payments shall be required thereon. The holder of this stock shall be entitled to receive a semi-annual dividend thereon of 75 cents per share, payable on the 1st day of March and the 1st day of September in each year. Such dividends shall be deducted from the profits accruing on the stock, and the balance of the profits shall be credited to the stock on the books of the association.

SEC. III. Paid-up stock may be issued and sold at the price of $20 per share, which shall include the admission fee, and no further payments shall be required thereon. The holder of this stock shall be entitled to receive no dividends, but the entire profits ac-
102 cruing thereon shall be credited to the stock on the books of the association.

SEC. IV. Both the $25 paid-up stock and the $20 paid-up stock may be withdrawn at any time after one year from the date of the certificate, but the shareholder shall first be required to give to the

association, in writing, sixty days' notice of his intended withdrawal.

SEC. V. On the withdrawal of the $25 paid-up stock at any time before two years from the date of the certificate, the holder thereof shall be entitled to receive $25 per share, less such dividends as have been paid thereon. If such stock be withdrawn at any time after two years from the date of the certificate, and before maturity, the holder thereof shall be entitled to receive $25 per share and three-fourths of the profits standing to the credit of the stock on the books of the association, less such dividends as have been paid thereon.

SEC. VI. On withdrawal of the $20 paid-up stock at any time before two years from the date of a certificate, the holder thereof shall be entitled to receive $20 per share. If such stock be withdrawn at any time after two years from the date of the certificate and before maturity, the holder thereof shall be entitled to receive $20 per share and three-fourths of the profits standing to the credit of the stock on the books of the association.

ARTICLE X.—*Stock*—Continued.

$100 *Full-paid.*

SECTION I. This stock shall be subject to and governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. Full-paid stock may be issued and sold at the price of one hundred dollars per share which shall include the admission fee, and no further payments will be required thereon.

SEC. III. The $100 full-paid stock shall be divided into three classes: The first class shall be withdrawable in one year, the second class in five years, and the third class in ten years.

SEC. IV. The holder of full-paid stock of the first class shall be entitled to receive interest thereon at the rate of five per cent. per annum.

The holders of full-paid stock of the second class shall be entitled to receive interest thereon at the rate of six per cent. per annum.

The holder of full-paid stock of the third class shall be entitled to receive interest thereon at the rate of seven per cent. per annum.

The interest payments shall be made semi-annually on the 1st day of January, and the 1st day of July in each year.

ARTICLE XI.—*Stock*—Continued.

Class "F."

SECTION I. This stock shall be subject to and be governed by the following rules and conditions in addition to those set forth in article III.

SEC. II. There shall be issued a class of stock which shall be designated as class "F," the par value of which shall be $100 per share, and for which the subscriber shall pay an admission fee of three dollars per share, and monthly installments of one dollar per

share per month until such monthly payments and the profits accruing on such stock shall amount to $100 per share.

SEC. III. A shareholder may withdraw at any time upon giving sixty days' notice, in writing, to the secretary of his intention to withdraw and his liability to pay further installments shall cease with such notice.

SEC. IV. The withdrawing shareholder who has made less than twenty-four monthly poyments shall receive the entire amount paid as monthly payments, less fifty cents as and for a withdrawal fee and less two per cent. of the amount so paid as and for a contingent fund. If the monthly payments are in arrears when notice of withdrawal is given, a further reduction of ten cents per share as fines for delinquent payments shall be made for each month such payments are in arrears, but in no case shall the amount deducted as fines exceed sixty cents per share.

SEC. V. The withdrawing shareholder who has made twenty-four or more payments and less than thirty-six, shall receive the entire amount paid as monthly payments, less the deduction provided by section 4 of this article, and interest on such amount at the rate of five per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. VI. The withdrawing shareholder who has made thirty-six or more monthly payments and less than forty-eight shall receive the entire amount paid as monthly payments less the deductions provided by section 4 of this article, and the interest on the amount so paid at the rate of six per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. VII. The withdrawing shareholder who has made forty-eight or more monthly payments and less than sixty, shall receive the entire amount paid as monthly payments less the deductions as provided by section 4 of this article, and interest on such amount at the rate of seven per cent. per annum for the actual time the association has had the payments in excess of twenty-four months.

SEC. VIII. If the withdrawing shareholder has made sixty or more payments and the shares have not matured he shall receive the entire amount paid as monthly payments, less the deduc-
103 tion as provided by section IV of this article, and interest on such amount at the rate of eight per cent. per annum for the actual time the association has had the payments.

SEC. IX. If delinquent shares are not reclaimed, or an application for the withdrawal thereof made within twenty-four months from the date of the last monthly payment, the balance to the credit of such shares shall be transferred to the contingent fund, and the shareholder shall have no further claim upon the association on account of such shares or the payments thereon.

ARTICLE XII.—*Funds.*

SECTION I. The receipts of the association shall be divided into two classes, to be known as the expense fund and the loan fund.

SEC. II. The expense fund shall consist of the following items:

All fees; a part of the monthly payments on installment stock not exceeding $1.20 per share per year on stock in class "A," and $1 per share per year on stock in classes "B" and "C," $1 per share per year, to be deducted from the payments on "paid-up" stock issued prior to June 1st, 1891; a portion of the profits accruing on installment stock in class "D," and on "paid-up" and "full-paid" stock issued subsequent to June 1st, 1891, not to exceed fourteen per cent. of the net receipts of payment on such stock, and all fines received for delinquent payments on installment stock in class "D."

SEC. III. The loan fund shall consist of all receipts which do not belong to the expense fund as hereinbefore provided.

SEC. IV. The loan fund can be used only for loans or investments approved by the board of directors or the loan committee, for the payment of withdrawals, for the payment of taxes and insurance, and for the protection of the interests of the association in property upon which loans have been made.

SEC. V. For all moneys to be disbursed by the treasurer from the loan fund a warrant or order on the treasurer shall be drawn signed by both president and secretary.

SEC. VI. During the months of January, April, July and October in each year, all undivided profits shall be apportioned to the shares in force.

SEC. VII. On withdrawal of shares in class "D" before maturity there shall be deducted from the amount paid thereon as monthly payments, two per cent. of the amount so paid, which shall be credited to the contingent fund. To this fund shall also belong all stock payments which shall be forfeited to the association as provided by section 8, article VII, of these by-laws.

SEC. VIII. The contingent fund shall be used in the payment of any losses that the association may sustain in the usual course of its business, but should the amount standing to the credit of such fund exceed that necessary to meet such contingencies, such portion thereof as may be deemed advisable by the board of directors may be loaned to the members, in which event the profits of such loans shall be credited to the shareholders.

ARTICLE XIII.—*Loans.*

SECTION I. Borrowers shall hold one share of stock in class "F" for each $100, or fractional part thereof, borrowed, and shall make application on such blanks as shall be provided by the secretary. Applications for loans may be made at any time and for any amount, but the association shall not loan to exceed fifty per cent. of the actual cash value of the real estate offered as security, as fixed by the association's appraiser.

SEC. II. The borrower shall pay such interest and premium, in such installments, and at such times, and for such periods, and shall execute such notes, bonds and mortgages, and shall pay such fees and fines, and shall obey such rules and provisions as shall be fixed upon and provided for from time to time by the board of directors.

SEC. III. After causing proper examination and appraisal of the

property offered as security, the board of directors shall pass on the application for loan.

SEC. IV. The borrower may repay his loan at any time, upon such terms as the board of directors may provide.

SEC. V. After shares have attained a withdrawal value, and if not in arrears, the owner may obtain a loan on them without other security, not to exceed ninety per cent. of the amount paid into the loan fund on such shares.

SEC. VI. The term "loan," as used in these by-laws and in the printed literature and blanks of the association, is employed for convenience only, and shall not in any case be construed to define the real nature of the transaction between the association and the member who obtains an advancement on the maturity value of his stock, as provided in this article; but such transaction shall be construed as a discount of, or advancement on, the shares owned by the member, in anticipation of their maturity.

ARTICLE XIV.—*Meetings—Elections.*

SECTION I. The annual meeting of the stockholders of the association shall be held on the last Tuesday of July in each year. The annual meeting of the board of directors shall be held within ten days after the annual meeting of the stockholders in each year.

SEC. II. The board of directors shall meet on the second Thursday of each month, and as much oftener as may be deemed advisable.

SEC. III. Special meetings of the association or of the board of directors may be called, upon the written request of three directors.

104 SEC. IV. At least thirty days prior to any special or annual meeting of the association, a notice, stating the time and place of such meeting, shall be deposited in the post-office at Minneapolis, Minnesota, directed to each member at his address, as the same appears at the time on the books of the association, and the deposit of such notice, as aforesaid, postage prepaid, shall be deemed to be a legal and sufficient notice of any such meeting, and there shall be attached to and accompany such notice any proposed amendment or amendments to the articles of incorporation, and a statement of any officers to be elected at such meeting. Information of any other matter of which members need notice may be given in a like manner.

SEC. V. Any proposed amendment of which notice shall have been duly given, may be adopted at such meeting by a vote of two-thirds of the stock represented and voting thereat.

SEC. VI. The members present in person or by proxy, entitled to vote, shall constitute a quorum at any annual or special meeting of the association.

SEC. VII. Every member shall be entitled to one vote for each share of stock he holds, provided that the holders of installment stock shall have made at least one monthly payment of dues.

SEC. VIII. No member whose payments are in arrears shall be allowed to vote delinquent stock until such arrears are paid.

SEC. IX. No member who has borrowed money shall be allowed

to vote on any question affecting the claim of the association against himself.

SEC. X. Any member may authorize another person, by written proxy, to vote his shares, provided that all proxies shall be filed with the president at least fifteen days before the opening of the meeting at which they are to be used. And provided further, that no person shall cast more than 500 votes on proxies, and no officer, agent or employé of the association shall be allowed to hold any proxies.

SEC. XI. All elections shall be by ballot.

ARTICLE XV.—*Officers.*

SECTION I. President.—The president shall, whenever present, preside at the meetings of the association and of the board of directors. He shall have the entire control, management and supervision of the business of the association, sign warrants drawn on the treasurer for the disbursement of the funds of the association as provided by section 5 of article XII of these by-laws; negotiate, make and execute all contracts to which the association shall be a party, subject, however, to such directions and rules as shall be laid down by the board of directors.

SEC. II. Vice-president.—The vice-president shall perform the duties and exercise the powers of the president whenever there shall occur a vacancy in the office of the president, or when the president shall be absent or disabled.

SEC. III. Secretary.—The secretary shall attend all meetings of the association and of the board of directors and shall keep full, accurate and complete minutes of all their meetings in the books provided for that purpose. He shall countersign warrants on the treasurer for the disbursement of the funds of the association as provided by section 5 of article XII of these by-laws, sign all contracts, notes, bonds, mortgages, leases, releases and other instruments in writing, and shall have the custody of the corporate seal of the association.

SEC. IV. Treasurer.—The treasurer shall have charge of the funds of the association, and shall promptly deposit the same in such bank or banks and in such amounts as the board of directors may designate for that purpose, and shall promptly issue checks for the disbursement of money on a proper warrant therefor. He shall render to the board of directors a statement of the condition of the funds under his charge whenever requested so to do by such board.

SEC. V. Board of directors.—The board of directors shall fill vacancies which may occur either among the officers or directors, provided that vacancies in the said board shall be filled at its next regular or special meeting after such vacancy occurs. The said board may enter into such contracts and agreements and appoint such agents for its business management as may be deemed for the best interests of the association.

SEC. VI. Any officer or director who shall wilfully disregard the orders of the board of directors, or by arbitrary or unreasonable

delays embarrass the association in its practical workings, may be removed by a majority vote of the board of directors.

SEC. VII. All officers shall insure to the association the faithful performance of their duties by such guarantees, sureties, or bonds of indemnity as the board of directors may provide, and as may be required by law.

ARTICLE XVI.—*Miscellaneous.*

SECTION I. All written contracts shall be executed by the president and secretary as hereinbefore provided, and sealed with the corporate seal of the association.

SEC. II. All contracts made by or with this association shall be deemed to have been made at the home office, in Minneapolis, Minnesota.

SEC. III. All money due from members to the association or from it to the members shall be payable at the home office, in Minneapolis, Minnesota.

SEC. IV. These by-laws may be amended at any meeting of the board of directors by a three-quarter vote of a full board.

105 EXHIBIT "G."

STATE OF MINNESOTA, } ss :
County of Hennepin, }

Jas. H. Bishop and Thos. E. Bishop, being first duly sworn, each for himself deposes and says that he is president and secretary respectively of the American Building and Loan Association of Minneapolis, Minnesota; that the following mortgage loans deposited with the State treasurer,

984 The Goshen Pulley Company,
1013 Alonzo T. Scherer,
1023 Chas. T. Brown,
1028 Isaac N. Orchard,

are wanted for the purpose of complying with the laws of the State of Wisconsin and to replace certain mortgages repaid now on deposit with the treasurer of said State.

JAS. H. BISHOP, *Pres't.*
[CORPORATE SEAL.] THOS. E. BISHOP, *Sec'y.*

Subscribed and sworn to before me this 29th day of August, 1891.

CHAS. M. COOLEY,
Notary Public, County of Hennepin,
[NOTARIAL SEAL.] *State of Minnesota.*

Approved Sept. 2, 1891.
M. D. KENYON,
Public Examiner, Minnesota.

106 STATE OF MINNESOTA, } ss:
County of Hennepin, }

Jas. H. Bishop and Thos. E. Bishop, being first duly sworn, each for himself deposes and says that he is president and secretary respectively of the American Building and Loan Association of Minneapolis, Minnesota; that the following bonds and mortgages deposited with the State treasurer,

L. No.	Name.	Loan.	Prem.	Face value.
952	W. E. Wright	6,500	6,500	13,000
968	Jos. Coats	3,000	3,000	6,000
974	R. W. Mars	1,500	1,500	3,000
821	J. C. Franklin	2,000	2,000	4,000
836	E. M. Watts	1,600	1,600	3,200
982	A. Potter	8,000	8,000	16,000
1024	F. L. Olmstead	1,500	1,500	3,000
1032	Belle Hinds	1,200	1,200	2,400
1034	E. C. T. Warren	2,000	2,000	4,000
		27,300	27,300	54,600

are desired for purpose of depositing same with State treasurer of Wisconsin.

JAS. H. BISHOP, *Pres't.*
[CORPORATE SEAL.] THOS. E. BISHOP, *Sec'y.*

Subscribed and sworn to before me this 16th day of February, 1892.

[NOTARIAL SEAL.] F. B. STONEMAN,
Notary Public, County of Hennepin, Minnesota.

Approved February 16, 1892.
M. D. KENYON,
Public Examiner, Minnesota.

107 STATE OF MINNESOTA, } ss:
County of Hennepin, }

Jas. H. Bishop and Jno. G. Short, being first duly sworn, each for himself deposes and says that he is president and acting secretary respectively of the American Building and Loan Association of Minneapolis, Minnesota; that the following bonds and mortgages deposited with the State treasurer,

R. E. L. 917	C. C. Plough,	867	Julius Schultz,
919	C. S. Morris,	880	N. C. Larson,
904	G. W. Wilde,	998	M. W. Gibbs,
949	T. C. Hanson,	1034	E. C. T. Warren,

are desired for deposit with treasurer of Wisconsin.

JAS. H. BISHOP, *President.*
[CORPORATE SEAL.] JNO. G. SHORT, *Act'g Sec'y.*

Subscribed and sworn to before me this 20th day of September, 1892.

[NOTARIAL SEAL.] F. B. STONEMAN,
Notary Public, County of Hennepin, State of Minnesota.

Transfer is proper and should be made and is hereby authorized.

M. D. KENYON,
Public Examiner, Minnesota.

108 STATE OF MINNESOTA, } ss:
County of Hennepin, }

Jas. H. Bishop and Thos. E. Bishop, being first duly sworn, each for himself deposes and says that he is president and secretary respectively of the American Building and Loan Association of Minneapolis, Minn.; that the following bonds and mtgs. — deposited with the treasurer of Minnesota.

The following list of securities now on deposit with the State treasurer of Minnesota we desire to withdraw for the purpose of immediate deposit with the State treasurer of Wisconsin in compliance with the law of that State:

Loan No.	Name.
58	H. I. Seidle & Co.
101	Madison, G. K.
312	Duncan, W. T.
328	O'Shaughnessy, Mary.
332	Jones, W. E.
337	Ames, W. O.
351	Sternberg, W. H.
384	Liebmann, M.
450	Connors, M. C.
505	Clute, A. W.
529	Coffin, Fanny L.
573	O'Brien, M. D.
619	Donahue, F.
629	Taylor, M. L.
649	Lewis, I. I.
733	McDonald, A. B.
738	Carter, J. J.
746	Henderson, S. S.
779	McCarthy, M.
1056	G. W. Ingraham.

JAS. H. BISHOP, *President.*
[CORPORATE SEAL.] THOS. E. BISHOP, *Secretary.*

Subscribed and sworn to before me this 8th day of December, 1893.

[NOTARIAL SEAL.] F. B. STONEMAN,
Notary Public, County of Hennepin, State of Minnesota.

STATE OF MINNESOTA, PUBLIC EXAMINER'S OFFICE.

Rec. Dec. 11, 1893. Order made Dec. 11, '93, and sent treasurer.

109 Copy.

DEC. 11TH, 1893.

Hon. Jos. Bobleter, State treasurer, capitol.

SIR: The American Savings and Loan Association of Minneapolis has filed with this office a statement demanding a transfer of the following securities to the State treasurer of Wisconsin in order to comply with the laws of that State. The securities desired to be transferred are as follows:

Loan No.	Name.
58	H. I. Seidle & Co.
101	Madison, G. K.
312	Duncan, W. T.
328	O'Shaughnessy, Mary.
332	Jones, W. E.
337	Ames, W. O.
351	Sternberg, W. H.
384	Leibmann, M.
450	Connors, M. C.
505	Clute, A. W.
529	Coffin, Fannie L.
573	O'Brien, M. D.
619	Donahue, F.
629	Taylor, N. L.
649	Lewis, I. I.
733	McDonald, A. B.
739	Carter, J. J.
746	Henderson, S. S.
779	McCarthy, M.
1056	G. W. Ingraham.

You are hereby authorized to make the transfer of such securities as provided by section 6, chapter 131, General Laws of 1891.

Witness my hand and official seal this 11th day of December, 1893.

[SEAL.]

M. D. KENYON,
Public Examiner.

110 EXHIBIT "H."

List of Mortgages Delivered to State Treasurer of Wisconsin Prior to July 11, 1889.

Name and address of mtgr.	Cash loaned.	When delivered to State treasurer.
J. A. Lindgren *et al.*, Gladstone, Mich..	$500.00	May 6, '89.
E. B. Stiles, Two Harbors, Mich.....	400.00	"
Michael Leary, Austin, Minn.....	200.00	"
Jas. Bee, Kansas City, Kans.....	500.00	"
J. N. Kinney, Washburn, Wis.....	1,400.00	"
Ellen M. Collins, Stevens' Point, Wis..	600.00	"
Magnes Harles, Osage, Iowa.....	500.00	"
M. E. Bassett, Woonsocket, S. D.....	650.00	"
M. S. Richardson, Paynesville, Minn..	900.00	"
J. C. Merriam, Whatcom, Wash.....	500.00	"
Harris Ouim, Elkton, S. D.....	300.00	"
Henry Weikle, Jackson, Minn.....	200.00	"
Samuel Caufman, Holton, Kans... ..	400.00	"
Eleanor Hamill, Madelia, Minn.....	500.00	"
Wm. Dwyer, Monett, Mo.....	400.00	"
Timothy Murphy, Morris, Minn... ..	384.00	"
Paul Von Lossow, Republic, Mo.....	300.00	"
Till L. Wilkins, Britton, S. D.....	750.00	"
C. M. Bunting, Chamberlain, S. D.....	300.00	"
Alfred Thompson, Elbow Lake, Minn..	500.00	"
Nels M. Olson, Gladstone, Mich.....	500.00	"
B. Vermillion, Monett, Mo	200.00	"
Ingebar Olson, Valley City, N. D.....	800.00	"
Chas. Garnier, Livingston, Mont..	800.00	"
Jno. Pickford, Ogalalla, Neb.....	600.00	"
Jennie A. Parish, Valley Springs, S. D.	500.00	June 17, '89.
A. Y. Eaton, Buffalo, Minn.....	500.00	"
A. M. Crawford, Casselton, N. D.....	900.00	"
E. T. Middleton, Huntsville, Ala.....	500.00	"
Leander Stiles, Valparaiso, Ind.....	5,000.00	"
Garti Kanstrom, Washburn, Wis.	300.00	"
Total.....	$20,784.00	

111 EXHIBIT "I."

List of Mortgages Delivered to State Treasurer of Wisconsin between July 11, 1889, and January 1, 1894.

Name and address of mtgr.	Cash loaned.	When delivered to State treasurer.
R. J. Bates, Alma Center, Wis.....	200.00	Dec. 4, '89.
J. N. Kinney, Washburn, Wis.....	1,000.00	"
Ole Flottwa, Washburn, Wis.....	200.00	"
J. A. Froseth, Washburn, Wis.....	200.00	"
Score & Holte, " "	1,000.00	"
Wm. Busch, Spooner, Wis.....	250.00	"
Nels Hoel, Washburn, Wis.....	200.00	"
C. J. & J. Zoellner, Spearfish, S. D.....	1,500.90	Feb. 10, '90.
B. L. Crossman, Snohomish, Wash. ...	1,500.00	"
C. E. Woodruff, Gibbon, Nebr.	500.00	"
W. G. Stephenson, Colfax, Iowa	400.00	"
Peter Pelkie, Ludington, Mich.....	500.00	"
F. Wiegmann, New Salem, N. D.....	500.00	"
Hans N. Lee, Altoona, Wis.....	400.00	"
T. G. Nicklin, Whatcom, Wash.	1,000.00	March 28, '90.
M. C. Long, Eufaula, Ala.....	800.00	"
T. L. Swift, Chippewa Falls, Wis.....	500.00	Sept. 15, '90.
Lucinda Wright, Colfax, Iowa	300.00	Oct. 3, '90.
C. L. Darr, Goshen, Ind.....	700.00	"
J. P. Crune, Soldier, Kans.	500.00	"
O. C. Halverson, Hector, Minn.....	400.00	Oct. 10, '90.
Jno. Kennedy, Edmonds, Wash.....	400.00	Dec. 12, '90.
M. L. Bishop, Minneapolis, Minn.....	5,000.00	Jan. 19, '91.
H. S. Markstrum, Bessemer, Mich.....	500.00	Aug. 3, '91.
M. Gorder, Frederick, S. D.	750.00	"
Sam'l H. Haynes, Wheeler, Ala.....	800.00	"
A. L. Blackmore, Sibley, Iowa..... ..	500.00	"
R. O. Bach, Ireton, Ia.....	400.00	"
112 Wm. Darnell, Alta, Iowa.....	500.00	Sept. 4, '91.
A. T. Shearer, Minneapolis, Minn.	1,500.00	"
I. N. Orchard, Fairhaven, Wash.....	1,000.00	"
J. C. Franklin, Santa Ana, Calif.....	2,000.00	Feb. 18, '92.
Elise M. Watts, Dallas, Texas.....	1,600.00	"
Jos. Coates, Danville, Va....	3,000.00	"
E. C. T. Warren, Silver City, N. M....	2,000.00	"
N. C. Larson, Bellevue, Idaho.....	10,000.00	Sept. 22, '92.
C. C. Plough, Seattle, Wash.....	2,500.00	"
C. S. Morris, Cisco, Texas.....	4,000.00	"
T. C. Hanson, Winnemucca, Nev.....	3,000.00	"
H. I. Seidel *et al.*, Eureka Springs, Ark.	1,500.00	Dec. 14, '93.
G. K. Madison, W. St. Paul, Minn.....	600.00	"
W. T. Duncan, Huntsville, Ala.....	1,250.00	"
W. E. Jones, Seattle, Wash.....	1,500.00	"

W. O. Ames, Ellensburg, Wash.....	1,000.00	"
M. C. Conners, Spearfish, S. D.....	2,000.00	"
M. D. O'Brien, Langdon, N. D.....	2,000.00	"
E. L. Barlett, trustee, Santa Fé, N. M..	4,000.00	"
Mary L. Taylor, Hot Springs, Ark....	3,000.00	"
Isaac I. Lewis, Ketchum, Idaho..... ..	5,000.00	"
A. B. McDonald, Sault Ste. Marie, Mich.	1,500.00	"
G. W. Ingraham, Jamestown, N. D....	5,500.00	"
	$80,850.00	

113 EXHIBIT "J."

List of Mortgages Delivered to State Treasurer of Wisconsin Subsequent to January 1, 1894.

Name and address of mtgr.	Cash loaned.	When delivered to State treasurer.
C. Flury, Silver City, N. M.....	500.00	Dec. 20, '94.
Frank Hewitt, Minneapolis, Minn.....	800.00	"
Geo. F. Rich, Portland, Ore.....	600.00	"
F. A. Anderson, " "	400.00	"
J. D. Cook, " "	500.00	"
Ottilie Murphy, " "	800.00	"
Moses J. Young, " "	400.00	"
E. A. Hutchins, Minneapolis, Minn....	900.00	"
Catherine Karstadt, Mankato, Minn....	3,500.00	Feb. 1, '95.
J. F. Pettengill, Staples, Minn.....	600.00	"
Emeline R. Bishop, Minneapolis, Minn.	2,500.00	"
Jennie R. Fowler, Morris, Minn.....	600.00	"
Jas. Feeley, Farmington, Minn.....	3,000.00	"
T. B. Catron, Santa Fé, N. M.....	2,000.00	"
Jno. Lopp, Monett, Mo.....	1,700.00	Oct. 7, '95.
Aune & Overby, Washburn, Wis.....	2,000.00	Nov. 21, '95.
M. J. Schubert, Pierre, S. D.....	8,000.00	"
Jno. S. Wise, Minneapolis, Minn.....	1,700.00	"
Otto F. Schoenfeldt, Great Falls, Mont.	2,100.00	"
Mary H. Kerr, Portland, Ore.....	1,500.00	"
Josiah H. Glass, " "	700.00	"
Wm. J. Wilson, Great Falls, Mont..	500.00	"
Alfred Johnson, " " ..	400.00	"
Martha F. Houston, " " ..	1,000.00	"
Frank E. Steffy, " " ..	1,700.00	"
Geo. P. Wallihan, Portland, Ore.....	500.00	"
Caroline E. Miller, " "	1,500.00	"
Sarah W. Fisher, " "	1,500.00	"
A. G. Brockwell, " "	900.00	"
J. B. Mahana, " "	800.00	"
Total.....	$43,600.00	

114 EXHIBIT "K."

Know all men by these presents that —, —— ——, of the county of —— and State of ——, — held and firmly bound unto the American Building and Loan Association, of the city of Minneapolis and State of Minnesota, in the sum of $—, lawful money of the United States of America, to be paid to the said association, its certain attorneys, successors, or assigns, at its home office in Minneapolis, Minnesota; to which payment well and truly to be made — bind — heirs, executors, administrators, jointly and severally, firmly by these presents.

Sealed with — seals and dated at Minneapolis, Minn., this — day of ——, one thousand eight hundred and eighty —.

The condition of this obligation is such that whereas said —— —— has paid, in accordance with the by-laws of said association, the sum of $— as and for a premium for the advancement to him by said association of $—, by way of anticipation of the value, at their maturity, of — shares of the capital stock of said association, now owned by said —— ——; and whereas said association has this day advanced to said —— —— the sum of $— in consideration of said premium and by way of said anticipation:

Now, therefore, if the above-bounden —— ——, — heirs, executors, and administrators, or any of them, shall well and truly pay or cause to be paid unto the said association, its certain attorney, successors, or assigns, at its said home office, on or before nine years from date hereof, the just sum of $— as aforesaid, together with interest on $—, at the rate of six per cent. per annum, from the — of ——, A. D. 1888, until paid in money, payable monthly, or shall well and truly pay, or cause to be paid, unto said association, its certain attorney, successors, or assigns, at its said home office, the sum of $— on the — day of each and every month hereafter, as and for the monthly dues on said blank shares of the capital
115 stock of said association now owned by the said —— ——, and by him hereby sold, assigned, transferred, and set over to said association as security for the faithful performance of this bond, and shall also well and truly pay, or cause to be paid, all installments of interest aforesaid, and all fines which become due on the said stock, without any fraud or further delay, until said stock becomes fully paid in and of the value of $100 per share, and shall then surrender said stock to said association, then, and in either of such cases, the above obligation to be void otherwise of full force and virtue.

Provided, however, and it is hereby expressly agreed, that if at any time default shall be made in the payment of said interest or the said monthly dues on said stock for the space of six months after the same, or any part thereof, shall have become due, or if the taxes and assessments on the property mortgaged to secure the faithful performance of this bond be not paid when due, or if the insurance policy or policies on the said mortgaged property be allowed to expire without renewal, then, and in either or any such

case-, the whole principal sum aforesaid shall, at the election of said association, its successors or assigns, immediately thereupon become due and payable, and the sum of $—, less whatever sum has been paid said association, as and for the monthly dues on said — shares of said capital stock, at the time of said default, may be enforced and recovered at once as liquidated damages, together with and in addition to all interest and fines then due, and all costs and disbursements, including said taxes, insurance, and assessments, which have been paid by said association, anything hereinbefore contained to the contrary notwithstanding.

116 EXHIBIT "L."

This indenture, made this — day of —— in the year of our Lord one thousand eight hundred and —, between —— —— of the — of —— in the county of —— and State of ——, party of the first part, and the American Building and Loan Association, of the city of Minneapolis, in the county of Hennepin and State of Minnesota, party of the second part,

Witnesseth: that the said party of the first part for and in consideration of the sum of $— to — in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, conveyed and confirmed, and by these presents do- grant, bargain, sell, convey and confirm, unto the said party of the second part, its successors and assigns, forever, all that tract, —— piece or parcel of land lying and being in the county of —— and State of —— described as follows, to wit:

... ...

To have and to hold the same, together with all the hereditaments and appurtenances thereunto in anywise appertaining, unto the said party of the second part, its successors and assigns forever. And the party of the first part do- covenant with the party of the second part, its successors and assigns, as follows: That — lawfully seized of said premises in fee-simple; that — ha- good right to grant and convey the same as above conveyed; that said premises are free from all liens and incumbrances; that the said party of the second part, its successors and assigns, shall quietly enjoy and possess the same and that the said party of the first part will warrant and defend the title to the same against all lawful claims.

And the said party of the first part do- still further covenant and agree with said party of the second part, its successors and assigns: that at all times during the continuance of this mortgage, and until the same shall be fully paid or released — will keep
117 the buildings on the said premises unceasingly insured in some first-class, responsible insurance company, satisfactory to the mortgagee for at least the sum of — dollars, payable in case of loss to said party of the second part to the amount then secured by this mortgage, and that —— —— will during all of said time pay all taxes and assessments that may for any and all purposes be assessed or imposed on said premises, or any part thereof, and will pay them previous to the time when any part of said premises could

be sold for any such taxes or assessments. And in case said party of the first part shall neglect or refuse to keep said buildings continually insured, or such taxes and assessments paid, as herein provided, then and in either of such cases the said party of the first part hereby authorizes and empowers —— ——, the said party of the second part, its successors and assigns, to effect such insurance and pay such taxes or assessments, and to charge all such sum or sums paid for either and all such purposes, to the said party of the first part, and to tack and impress the same as an additional lien on said premises, to remain secured by, and as a part of this mortgage, and to bear interest at the same rate as the indebtedness secured hereby, and to foreclose for the same, at the same time and in the same manner as for the original indebtedness hereby secured.

This mortgage being given to secure an advancement made on — shares of stock in said American Building and Loan Association, the monthly payments on which amount to $— per month, said party of the first part does further covenant and agree to make the said monthly payments on said stock as they shall become due until said stock becomes fully paid in.

Provided, nevertheless, that if said party of the first part, — heirs, executors, administrators or assigns, shall well and truly pay or cause to be paid to the said party of the second part, its successors or assigns, at its home office, in Minneapolis, Minnesota, the sum of $— and interest according to the conditions
118 of — certain bond made and executed by —— —— said party of the first part to said party of the second part, bearing even date herewith, payable on or before nine years from date, —— with interest on — dollars at the rate of six per cent. per annum until paid, interest payable monthly, or shall pay or cause to be paid, at the home office of said association, all installments of interest which become due on said bond, and all fines and monthly payments which become due on said stock until said stock becomes fully paid in and of the value of $100 per share, and before any of said installments of interest or monthly payments shall have been past due for a period of six months, and shall then surrender said stock to said association in payment of said bond, then this deed shall be null and void, otherwise to remain in full force and effect. But if default be made in the payment of the said sum or sums of money, or of any installment of interest thereon, or of any monthly payment on said stock for a period of six months after the same shall be due, or any part of either, or in effecting the insurance, or in paying the taxes at the time or times hereinbefore specified for the payment thereof, or in any condition in this mortgage contained, then and in either or any such case the whole principal sum or sums secured by this mortgage and the interest thereon accrued up to the time of such default, shall at the election of said second party, its successors or assigns, of its or their agent, become thereupon due and payable immediately upon said default, and the said party of the first part does hereby authorize and empower the said party of the second part, its successors or assigns, the owner hereof, its agent and attorney, at its or their election and without notice of such election

to foreclose at once this mortgage for such sum or sums and interest and money paid as may be due and payable by the terms of said bond hereby secured; and to sell the same hereby granted premises at public auction, and convey the same to the purchaser in fee-
119 simple agreeably to the statutes in such case made and provided, and out of the moneys arising from such sale to retain the principal and interest then accrued on the sum so elected to be foreclosed for, together with any insurance, taxes or assessments, paid as above stipulated and all costs and charges of such foreclosure, including $— attorneys' fees for foreclosing this mortgage, and pay the surplus, if any, to the said party of the first part, — heirs, executors, administrators and assigns.

This mortgage is understood to be made with reference to and under the laws of the State of Minnesota.

In testimony whereof, said party of the first part hereunto set — hand and seal the day and year first above written.

120 EXHIBIT "M."

Stock Loans Made to Wisconsin Shareholders.

Name and address.	Amount loaned.
W. T. Rynder, Florence, Wis.	100.00
Adolph Olson, W. Superior, Wis.	30.00
H. F. Schroeder, Baraboo, Wis.	410.00
G. A. " " "	200.00
H. P. Jones, " "	700.00
D. W. John, Marinette, Wis.	519.00
G. M. Breakey, Alma Center, Wis.	387.00
Helena Dahl Johnson, Stoughton, Wis.	360.00
Chas. Anderson, Oshkosh, Wis.	355.00
Sam. Schule & Son, Monroe, Wis.	369.00
Gertrude Weber, S. Superior, Wis.	750.00
A. S. Hearn, Dodgeville, Wis.	306.00
F. J. Runge, Merrill, Wis.	350.00
Jno. P. Juenger, Ft. Howard, Wis.	484.00
F. Jackel, Spooner, Wis.	189.90
D. Justice, Greenwood, Wis.	125.00
J. H. Soper, Clinton, Wis	30.00
A. Kellett, W. Superior, Wis.	175.00
E. B. Strothman "	292.00
Albert Hauer, Tomahawk, Wis.	98.00
Peter Eimon, W. Superior, Wis.	150.00
Otto C. Buerki, Pt. Washington, Wis.	100.00
Jno. L. Post, Madison, Wis.	132.00
Henry D. Squiers, Sheboygan, Wis.	513.00
Gustave Hanson, Osseo, Wis.	74.00
	$7,198.90

121 EXHIBIT "N."

List of Real-estate Mortgages Given by Wisconsin Shareholders.

Name and address of mortgagor.	Amount loaned.
J. N. Kinney, Washburn, Wis.	1,400.00
Aune & Overby, " "	2,000.00
J. N. Kinney, " "	1,000.00
Garti Kanstrum, " "	300.00
Ole Flottum, " "	200.00
J. A. Froseth, " "	200.00
Score & Holte, " "	1,000.00
Nels Hoel, " "	200.00
Benj. Mash, Alma, Wis.	800.00
Thirza L. Swift, Chippewa Falls, Wis.	500.00
Jno. Amundson, W. Superior, Wis.	400.00
Hans N. Lee, Altoona, Wis.	400.00
R. J. Bates, Alma Center, Wis.	200.00
Benson & Anderson, Amery, Wis.	400.00
Ellen M. Collins, Stevens Point, Wis.	600.00
Wm. Busch, Washburn, Wis.	250.00
Total.	$9,850.00

122 EXHIBIT "O."

The American Building and Loan Association, Minneapolis, Minn.

[Vignette.]

Certificate No. —. No. of shares, —. Amount, $—.

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner and holder of — shares of stock therein.

This certificate is issued to and is accepted by the holder thereof upon the following express terms and conditions:

First. The shareholder agrees to pay to this association 60 cts. monthly for each share until such share matures or is withdrawn.

Second. Monthly payments must be made each month on or before the day of the month on which this certificate is dated. No notices of such monthly payments shall be sent to members. All moneys due from members to the association or due from the association to members shall be due and payable at the home office in Minneapolis, Minnesota. Provided, however, that the members in any town may elect a local treasurer and may make payments to him for transmission to the home office; in such case the local treasurer will be deemed to be the agent of the members and not of the association.

Third. Fifty cents of each monthly payment on each share and

all fines shall go into the loan fund; the remainder of such payment and all fees shall go into the general or expense fund. No part of the loan fund or interest or profits thereon can be used for expenses of any kind except for taxes thereon.

Fourth. If any monthly payments are not paid when due a fine of ten cents per share shall be imposed for each month payments may be in arrears.

Fifth. Stock in this association is non-forfeitable; but if a monthly payment on any share becomes past due for a period of six months or more, such share shall be sold at auction for the purpose of paying the arrearages. The proceeds of the sale shall first be used to pay all back monthly payments and fines; the balance remaining after paying all accrued fines and monthly payments shall be paid to the member in whose name the stock stands at the time of sale. If the stock brings no more than enough to pay the accrued fines and monthly payments it shall be bid in by the association and cancelled, and all money standing to the credit thereof in the loan fund shall be considered profit to the other shareholders.

Sixth. Shares in good standing may be transferred on payment to the association of a transfer fee of fifty cents per share; but in no case shall such fee be less than one dollar or more than three dollars on any certificate. Shares on which loans have been made can be transferred only to a purchaser of the mortgaged property. No transfer is good unless made on the books of the association.

Seventh. At any time after one year from date, this certificate may be returned and a new certificate for a less number of shares issued. In such case the money paid hereon (excepting the first payment) shall be applied on the new certificate and no more payments shall be required until such money is exhausted. A fee of one dollar shall be charged for issuing the new certificate.

Eighth. If a member dies his personal representatives may withdraw his shares at any time. In no other case can a share be withdrawn until after two years from the date of the certificate. If a share is withdrawn at any time before it matures the member will be entitled to receive a sum of money equal to the amount paid into the loan fund on such share in monthly payments, together with six per cent. annual interest. If a share has matured it may be withdrawn at any time, and the holder thereof will be entitled to receive $100, together with all additional profits which may have been apportioned to such share. A member desiring to withdraw his shares shall be required to give the association sixty days' notice of such intended withdrawal. A fee of fifty cents per share may be charged whenever any shares are withdrawn; but in no case shall such fee be less than one dollar or more than three dollars on any certificate. Shareholders who have borrowed money cannot withdraw their shares unless the loan is repaid. Unless the consent of the directors is obtained, the association cannot be required to use in the payment of withdrawing members in any month more than half as much money as is received for monthly payments during that month.

Ninth. Once in three months the profits arising from interest,

premiums, fines, and other sources shall be apportioned among the shares in good standing. Whenever the monthly payments made on any share, together with the profits apportioned to such share amount to $100, such share shall be deemed to have matured and no more monthly payments shall be required. The directors may require any share to be withdrawn at any time after it has matured. If losses occur they shall be deducted from undivided profits so far as possible; any deficiency may be charged up to the shares in force.

Tenth. No agent has authority to change this contract in any way; and the association assumes no obligation for any statements not contained in its printed literature.

Given under the seal of the American Building and Loan Association at Minneapolis, Minnesota, this — day of ——, 18—.

—— ——, *President.*

—— ——, *Secretary.*

[Certificate printed in black ink, surrounded by border printed in brown ink.]

123 EXHIBIT "O 1."

American Building and Loan Association, Minneapolis, Minn.

[Vignette.]

Certificate No. —. No. of shares, —. Amount, $—.

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner and holder of — shares of stock therein.

This certificate is issued to and is accepted by the holder thereof upon the following express terms and conditions:

First. The shareholder agrees to pay to this association sixty cents monthly for each share until such share matures or is withdrawn.

Second. Monthly payments must be made each month on or before the day of the month on which this certificate is dated. No notices of such monthly payments shall be sent to members. All moneys due from members to the association or due from the association to members shall be due and payable at the home office in Minneapolis, Minnesota. Any money that may be due the association from a member shall be a lien on the stock of such member and no person shall be entitled to have said stock transferred on the books of the association until such money is paid.

Third. There may be deducted from the monthly payments such sum as may be needed for expenses not exceeding one dollar per year per share. The remainder of such payments and all fines shall be paid into the loan fund. No part of the loan fund or interest or profits thereon can be used for expenses of any kind except for taxes.

Fourth. If any monthly payments are not paid when due a fine

of ten cents per share may be imposed for each month payments may be in arrears.

Fifth. Stock in this association is non-forfeitable; but if a monthly payment on any share becomes past due for a period of sixty days or more, such share may be sold at auction for the purpose of paying the arrearages. The proceeds of the sale shall first be used to pay all back monthly payments and fines and other money due the association; the balance remaining after paying all accrued fines and monthly payments and other money as aforesaid shall be paid to the member in whose name the stock stands at the time of sale. If the stock brings no more than enough to pay the accrued fines and monthly payments it shall be bid in by the association and cancelled, and all money standing to the credit thereof in the loan fund shall be considered profit to the other shareholders. Provided, however, that no stock which is one year or more old shall be sold for less than its withdrawal value.

Sixth. Shares in good standing may be transferred on payment to the association by the purchaser of an admission fee of fifty cents per share; but in no case shall such fee be less than one dollar or more than three dollars on any certificate. Shares on which loans have been made can be transferred only to a purchaser of the mortgaged property. No transfer is good unless made on the books of the association.

Seventh. At any time after one year from date, if all dues and fines are paid, this certificate may be returned and be reduced to a less number of shares. In carrying the lesser number of shares to which certificate is reduced, no more payments shall be required until such money is exhausted. A fee of one dollar shall be charged for reducing the certificate.

Eighth. If a member dies his personal representatives may withdraw his shares at any time. In no other case can a share be withdrawn until after one year from the date of the certificate. If a share is withdrawn at any time before two years from the date of the certificate the holder thereof will be entitled to receive the amount paid into the load fund in monthly payments on such share. If the stock is two or more years old when withdrawn the holder will be entitled to receive the amount paid into the loan fund in monthly payments on such stock together with three-quarters of the profits apportioned to said stock. If a share has matured it may be withdrawn at any time, and the holder thereof will be entitled to receive $100 together with all additional profits which may have been apportioned to such share. A member desiring to withdraw his shares shall be required to give the association sixty days' notice of such intended withdrawal. Shareholders who have borrowed money cannot withdraw their shares unless the loan is repaid. Unless the consent of the directors is obtained, the association cannot be required to use in the payment of withdrawing members in any month more than half as much money as is received for monthly payments during that month.

Ninth. Once in three months the profits arising from interest, premiums, fines, and other sources shall be apportioned among the

shares in good standing. Whenever the amount standing in the loan fund to the credit of any share equals $100, such share shall be deemed to have matured and no more monthly payments shall be required. The directors may require a share to be withdrawn at any time before or after it has matured. If losses occur they shall be deducted from undivided profits so far as possible; any deficiency may be charged up to the shares in force.

Tenth. No agent has authority to change this contract in any way; and the association assumes no obligation for any statements not contained in its printed literature.

Given under the seal of the American Building and Loan Association at Minneapolis, Minnesota, this — day of ——, 18—.

JAS. H. BISHOP, *President.*
T. E. BISHOP, *Secretary.*

—— ——, *Recorder.*

[Certificate printed in black ink, surrounded by border printed in brown ink.]

124 EXHIBIT "O 2."

The American Building and Loan Association, Minneapolis, Minn.

[Vignette.]

Certificate No. —. No. of shares, —. Amount, $—.

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner and holder of — shares of stock therein.

This certificate is issued to and is accepted by the holder thereof upon the following express terms and conditions:

First. The shareholder agrees to pay to this association sixty cents monthly for each share until such share matures or is withdrawn.

Second. Monthly payments must be made each month on or before the day of the month on which this certificate is dated. No notices of such monthly payments shall be sent to members. All moneys due from members to the association or due from the association to members shall be due and payable at the home office in Minneapolis, Minnesota. Any money that may be due the association from a member shall be a lien on the stock of such member, and no person shall be entitled to have such stock transferred on the books of the association until such money is paid.

Third. There may be deducted from the monthly payments such sum as may be needed for expenses not exceeding one dollar per year per share. The remainder of such payments and all fines shall be paid into the loan fund. No part of the loan fund or interest or profits thereon can be used for expenses of any kind except for taxes.

Fourth. If any monthly payments are not paid when due a fine

of ten cents per share may be imposed for each month payments may be in arrears.

Fifth. Stock in this association is non-forfeitable; but if a monthly payment on any share becomes past due for a period of sixty days or more, such share may be sold at auction for the purpose of paying the arrearages. The proceeds of the sale shall first be used to pay all back monthly payments and fines and other money due the association; the balance remaining after paying all accrued fines and monthly payments and other money as aforesaid shall be paid to the member in whose name the stock stands at the time of sale. If the stock brings no more than enough to pay the accrued fines and monthly payments it shall be bid in by the association and cancelled, and all money standing to the credit thereof in the loan fund shall be considered profit to the other shareholders. Provided, however, that no stock which is one year or more old shall be sold for less than its withdrawal value.

Sixth. Shares in good standing may be transferred on payment to the association by the purchaser of an admission fee of fifty cents per share; but in no case shall such fee be less than one dollar or more than three dollars on any certificate. Shares on which loans have been made can be transferred only to a purchaser of the mortgaged property. No transfer is good unless made on the books of the association.

Seventh. At any time after one year from date, if all dues and fines are paid, this certificate may be returned and a new certificate for a less number of shares issued. In such case the money paid hereon shall be applied on the new certificate and no more payments shall be required until such money is exhausted. A fee of one dollar shall be charged for issuing the new certificate.

Eight. If a member dies his personal representatives may withdraw his shares at any time. In no other case can a share be withdrawn until after one year from the date of the certificate. If a share is withdrawn at any time before two years from the date of the certificate the holder thereof will be entitled to receive the amount paid into the loan fund in monthly payments on such share together with one-fourth of the profits apportioned to such share. If the stock is two or more years old when withdrawn the holder will be entitled to receive the amount paid into the loan fund in monthly payments on such stock together with three-quarters of the profits apportioned to said stock. If a share has matured it may be withdrawn at any time, and the holder thereof will be entitled to receive $100 together with all additional profits which may have been apportioned to such share. A member desiring to withdraw his shares shall be required to give the association sixty days' notice of such intended withdrawal. Shareholders who have borrowed money cannot withdraw their shares unless the loan is repaid. Unless the consent of the directors is obtained, the association cannot be required to use in the payment of withdrawing members in any month more than half as much money as is received for monthly payments during that month.

Ninth. Once in three months the profits arising from interest,

premiums, fines, and other sources shall be apportioned among the shares in good standing. Whenever the amount standing in the loan fund to the credit of any share equals $100, such share shall be deemed to have matured and no more monthly payments shall be required. The directors may require a share to be withdrawn at any time before or after it has matured. If losses occur they shall be deducted from undivided profits so far as possible: any deficiency may be charged up to the shares in force.

Tenth. No agent has authority to change this contract in any way; and the association assumes no obligation for any statements not contained in its printed literature.

Given under the seal of the American Building and Loan Association at Minneapolis, Minnesota, this — day of ——, 188-.

JAS. H. BISHOP, *President.*
T. E. BISHOP, *Secretary.*

—— ——, *Recorder.*

[Certificate printed in black ink, surrounded by border printed in brown ink.]

125 EXHIBIT "O 3."

Class D. Series Two.

American Building and Loan Association, Minneapolis, Minn.

[Vignette.]

Certificate No. —. No. of shares, —. Amount, $—.

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner and holder of — shares of stock therein.

This certificate is issued to and is accepted by the holder hereof upon the following express terms and conditions:

First. Monthly payments.—The shareholder agrees to pay to the association sixty cents monthly for each and every share until such share matures or is withdrawn.

Second. Same.—Such payments must be made monthly without notice on or before the day of the month on which this certificate is dated. Any money due from the shareholder to the association as monthly payments or otherwise, or from the association to the shareholder, shall be payable at the home office in Minneapolis, Minnesota.

Third. Lien.—Any debt due or owing the association from or by a shareholder shall be a lien on his shares whether they be assigned to the association as collateral security or not.

Fourth. Fines.—If any monthly payments are not made when due a fine of ten cents per share may be imposed for each month such payments may be in arrears.

Fifth. Transfers.—Shares in good standing, properly assigned by instrument in writing, may be transferred on payment to the asso-

ciation by the purchaser of an admission fee of fifty cents per share, but in no case shall such fee be less than one dollar or more than three dollars on any one certificate. Shares pledged to the association as security for stock loans or upon which there is a lien for a debt due or owing the association can be transferred only on payment of such loan or debt. Shares pledged to the association as collateral security for real-estate loans can be transferred only to the purchaser of the mortgaged property who shall, in the deed of conveyance, assume and agree to pay the mortgage debt according to the terms and conditions of the mortgage. No transfer shall be effective except it be approved by the secretary and made on the books of the association.

Sixth. Reductions.—At any time after one year from the date hereof, if all dues and fines are paid, this certificate may be returned and the number of shares reduced. In such case the whole amount paid as monthly dues will be credited as for payments on the lesser number of shares and no further payments will be required until the expiration of the time for which such amount will carry the shares: Provided, however, that no reduction of shares pledged for a loan or upon which there is a lien will be allowed unless such loan be paid or lien discharged. A fee of one dollar shall be charged for such reduction.

Seventh. Withdrawals.—A shareholder whose shares are not pledged for a loan, may at any time, give notice in writing to the secretary of his intention to withdraw, and his liability to pay further installments shall cease with such notice; but such shareholder shall not be entitled to withdraw until the expiration of twenty-four months from and after the date of the first monthly payment. The withdrawing member who has made less than twenty-four monthly payments shall be entitled to receive the entire amount paid (not including admission fees or fines) less fifty cents as and for a withdrawal fee, and two per cent. of the amount so paid as and for a contingent fund. If the monthly payments are in arrears when notice of withdrawal is given, a further deduction of ten cents per share as fines for the delinquent payments shall be made for each month such payments are in arrears, but in no case shall the amount deducted for fines exceed sixty cents per share. The withdrawing shareholder who has made 24 or more payments and less than 36, 36 or more payments and less than 48, 48 or more payments and less than 60, shall receive the amount paid as monthly payments less the deductions as above provided and interest on such amount at the rate of five, six and seven per cent. per annum respectively, for the actual time the association has had such payments in excess of 24 months. If the withdrawing shareholder has made 60 or more payments and the shares have not matured, he shall receive the amount paid as monthly payments less the deductions as above provided and interest on such amount at the rate of eight per cent. per annum for the actual time the association has had the payments: Provided, however, that the withdrawing shareholder shall not receive a rate of interest greater than the net rate of profit actually earned by the association on all shares in force during said period,

and if by reason of extraordinary losses the entire profits have been exhausted and the capital impaired, all withdrawing shares shall be subject to a *pro rata* charge of such losses with those remaining undrawn, and the withdrawing member shall be entitled to receive only such sum as may be found to be due him after an adjustment of such losses among all shareholders. And provided further, that no more than one-half of the amount received in monthly payments in any one month shall be used to pay withdrawals without the consent of the board of directors. No notice of withdrawal shall be effective to relieve a shareholder of his liability for future payments while there is a lien upon his shares for any debt due or owing the association, and such shares cannot be withdrawn until such debt is paid. Upon the death of a shareholder his heirs or legal representatives shall, upon giving sixty days' notice to the association in writing receive the then withdrawal value of his shares. The directors may require a share to be withdrawn at any time before or after it has matured.

Eighth. Forfeitures.—If delinquent shares are not reclaimed or an application for the withdrawal thereof made within 24 months from the date of the last payment the balance to the credit of such shares shall be transferred to the contingent fund and the shareholder shall have no further claim upon the association on account of such shares or the payments made thereon.

Ninth. Maturity.—Once in three months the profits earned by the association shall be computed and whenever the sum of $100 shall appear to the credit of a share, such share shall be deemed to have matured and no further payments shall be required.

Tenth. Authority of agents.—No agent has authority to change the terms of this contract. The association assumes no obligation for any statements not contained in its printed literature.

Given under the seal of the American Building and Loan Association, at Minneapolis, Minnesota, this — day of ——, 189–.

JAS. H. BISHOP, *President.*
T. E. BISHOP, *Secretary.*

—— ——, *Recorder.*

Terms and conditions of the foregoing certificate approved this 4th day of June, A. D. 1891.

M. D. KENYON,
Public Examiner, Minnesota.

[Certificate printed in black ink, surrounded by border printed in brown ink.]

126 EXHIBIT "O 4."

American Building and Loan Association, Minneapolis, Minn.

[Vignette.]

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner

and holder of — shares of stock therein. Given under the seal of the American Building and Loan Association, at Minneapolis, Minnesota, this — day of ——, 18—.

—— ——, *Secretary.* —— ——, *President.*

Amount, $—. —— ——, *Recorder.*

This certificate is issued to and is accepted by the holder thereof upon the following express terms and conditions:

First. It is understood that $20 per share has been paid to the association for this stock and that the holder hereof can never be assessed or required to make any further payment hereon for any cause whatever.

Second. Of the money received by the association on this stock there may be placed in the expense fund for each share, $3 for the first year and $1 for each year thereafter while the stock is in force. The balance must be placed in the loan fund to the credit of this stock. Amount deducted for first year includes admission fee of $2.00.

Third. Whenever the amount standing to the credit of this certificate equals $100 per share, the stock shall be deemed to have matured and the holder thereof shall be entitled to withdraw the same and to receive $100 per share therefor.

Fourth. This stock cannot be withdrawn until one year from the date of the certificate. Whenever the holder thereof desires to withdraw this stock he shall give to the association sixty days' notice of such intended withdrawal.

Fifth. Unless the consent of the board of directors is obtained the association cannot be required to use in the payment of withdrawing members in any month more than half as much money as is received from monthly payments during that month.

Sixth. Shares in good standing may be transferred on payment to the association of a transfer fee of fifty cents per share; but in no case shall such fee be less than $1 or more than $3 on any certificate. Shares on which loans have been made can be transferred only to a purchaser of the mortgaged property. No transfer is good unless made on the books of the association.

Seventh. The board of directors may require any share to be withdrawn at any time after it has matured. If losses occur they shall be deducted from undivided profits as far as possible; any deficiency may be charged up to the shares in force and deducted from the accrued profits thereon.

Eighth. No agent has authority to change this contract in any way, and the association assumes no obligation for any statements not contained in its printed literature.

If withdrawn at any time before three years from the date of the certificate the holder thereof will be entitled to receive $20 per share. If withdrawn any time after three years from the date of the certificate, and before maturity, the holder thereof will be entitled to receive $20 per share and three-fourths of the profits standing to the credit of the stock on the books of the association.

[Certificate printed in black ink, surrounded by border printed in brown ink.]

127 EXHIBIT "O 5."

American Building and Loan Association, Minneapolis, Minn.

[Vignette.]

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner and holder of — shares of stock therein. Given under the seal of the American Building and Loan Association, at Minneapolis, Minnesota, this — day of ——, 18—.

—— ——, *Secretary.* —— ——, *President.*

Amount, $—. —— ——, *Recorder.*

This certificate is issued to and is accepted by the holder thereof upon the following express terms and conditions:

First. It is understood that $25 per share has been paid to the association for this stock and that the holder hereof can never be assessed or required to make any further payment hereon for any cause whatever.

Second. The American Building and Loan Association promises to pay to the owner and holder hereof the sum of $1.50 per share per year on this stock, payable semi-annually, on the first day of March and September in each year, until this stock is withdrawn.

Third. Of the money received by the association on this stock there may be placed in the expense fund for each share, $3 for the first year and $1 for each year thereafter while the stock is in force. The balance must be placed in the loan fund to the credit of this stock. Amount deducted for first year includes admission fee of $2.00.

Fourth. The dividends paid on this stock shall be deducted from the profits earned by it; the balance of the profits must be placed to the credit of this stock, on the books of the association. Whenever the amount standing to the credit of this certificate equals $100 per share, the stock shall be deemed to have matured and the holder hereof shall be entitled to withdraw the same and to receive $100 per share therefor.

Fifth. This stock cannot be withdrawn until one year from the date of the certificate. Whenever the holder hereof desires to withdraw this stock he shall give to the association sixty days' notice of such intended withdrawal.

Sixth. Unless the consent of the board of directors is obtained the association cannot be required to use in the payment of withdrawing members in any month more than half as much money as is received from monthly payments during that month.

Seventh. Shares in good standing may be transferred on payment to the association of a transfer fee of fifty cents per share; but in no case shall such fee be less than $1 or more than $3 on any certificate. Shares on which loans have been made can be trans-

ferred only to a purchaser of the mortgaged property. No transfer is good unless made on the books of the association.

Eighth. The board of directors may require any share to be withdrawn at any time after it has matured. If losses occur they shall be deducted from undivided profits as far as possible; any deficiency may be charged up to the shares in force and deducted from the profits accrued thereon.

Ninth. No agent has authority to change this contract in any way, and the association assumes no obligation for any statement not contained in its printed literature.

If withdrawn at any time before two years from the date of the certificate the holder thereof will be entitled to receive $25 per share, less such dividends as have been paid thereon. If withdrawn at any time after two years from the date of the certificate, and before maturity, the holder thereof will be entitled to receive $25 per share and three-fourths of the profits standing to the credit of the stock on the books of the association, less such dividends as have been paid thereon.

[Certificate printed in black ink, surrounded by border printed in green ink.]

128 EXHIBIT "O 6."

American Building and Loan Association, Minneapolis, Minn.

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner and holder of — shares of stock therein. Given under the seal of the American Building and Loan Association at Minneapolis, Minnesota, this — day of ——, 18—.

—— ——, *Secretary.* —— ——, *President.*

Amount $—.

This certificate is issued to and is accepted by the holder thereof upon the following express terms and conditions:

First. It is understood that $40 per share has been paid to the association for this stock and that the holder hereof can never be assessed or required to make any further payment hereon for any cause whatever.

Second. Of the money received by the association on this stock there may be placed in the expense fund for each share, $3 for the first year and $1 for each year thereafter while the stock is in force. The balance must be placed in the loan fund to the credit of this stock.

Third. Whenever the amount standing to the credit of this certificate equals $100 per share, the stock shall be deemed to have matured and the holder thereof shall be entitled to withdraw the same and to receive $100 per share therefor.

Fourth. This stock cannot be withdrawn until two years from the

date of the certificate. If withdrawn at any time before maturity the holder thereof will be entitled to receive $40 per share and six per cent. annual interest. Whenever the holder thereof desires to withdraw this stock he shall give to the association sixty days' notice of such intended withdrawal. A fee of fifty cents per share may be charged whenever any shares are withdrawn; but in no case shall such fee be less than $1 or more than $3 on any certificate.

Fifth. Unless the consent of the board of directors is obtained the association cannot be required to use in the payment of withdrawing members in any month more than half as much money as is received from monthly payments during that month.

Sixth. Shares in good standing may be transferred on payment to the association of a transfer fee of fifty cents per share; but in no case shall such fee be less than $1 or more than $3 on any certificate. Shares on which loans have been made can be transferred only to a purchaser of the mortgaged property. No transfer is good unless made on the books of the association.

Seventh. The board of directors may require any share to be withdrawn at any time after it has matured. If losses occur they shall be deducted from undivided profits as far as possible; any deficiency may be charged up to the shares in force.

Eighth. No agent has authority to change this contract in any way, and the association assumes no obligation for any statements not contained in its printed literature.

[Certificate printed in black ink, surrounded by border printed in brown ink.]

129 EXHIBIT "O 7."

American Building and Loan Association, Minneapolis, Minn.

[Vignette.]

This certifies that —— ——, of ——, county of ——, State of ——, is a member of the American Building and Loan Association of Minneapolis, Minnesota, and has subscribed for and is the owner and holder of — shares of stock therein. Given under the seal of the American Building and Loan Association, at Minneapolis, Minnesota, this — day of ——, 18—.

—— ——, *Secretary.* —— ——, *President.*

Amount, $—.

This certificate is issued to and is accepted by the holder thereof upon the following express terms and conditions:

First. It is understood that $50 per share has been paid to the association for this stock and that the holder hereof can never be assessed or required to make any further payment hereon for any cause whatever.

Second. The American Building and Loan Association promises to pay to the owner and holder hereof the sum of $1.50 per share on this stock, semi-annually, on the first day of March and September in each year, until this stock is withdrawn.

Third. Of the money received by the association on this stock there may be placed in the expense fund for each share, $3 for the first year and $1 for each year thereafter while the stock is in force. The balance must be placed in the loan fund to the credit of this stock.

Fourth. The dividends paid on this stock shall be deducted from the profits earned by it; the balance of the profits must be placed to the credit of this stock, on the books of the association. Whenever the amount standing to the credit of this certificate equals $100 per share, the stock shall be deemed to have matured, and the holder hereof shall be entitled to withdraw the same and to receive $100 per share therefor.

Fifth. This stock cannot be withdrawn until two years from the date of the certificate. If withdrawn at any time before maturity the holder hereof will be entitled to receive $50 per share. Whenever the holder hereof desires to withdraw this stock he shall give to the association sixty days' notice of such intended withdrawal. A fee of fifty cents per share may be charged whenever any shares are withdrawn; but in no case shall such fee be less than $1 or more than $3 on any certificate.

Sixth. Unless the consent of the board of directors is obtained the association cannot be required to use in the payment of withdrawing members in any month more than half as much money as is received from monthly payments during that month.

Seventh. Shares in good standing may be transferred on payment to the association of a transfer fee of fifty cents per share; but in no case shall such fee be less than $1 or more than $3 on any certificate. Shares on which loans have been made can be transferred only to a purchaser of the mortgaged property. No transfer is good unless made on the books of the association.

Eighth. The board of directors may require any share to be withdrawn at any time after it has matured. If losses occur they shall be deducted from undivided profits as far as possible; any deficiency may be charged up to the shares in force.

Ninth. No agent has authority to change this contract in any way, and the association assumes no obligation for any statements not contained in its printed literature.

[Certificate printed in black ink, surrounded by border printed in green ink.]

130 (Endorsements:) (Copy.) State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Association, formerly doing business under the name of American Building and Loan Association, and S. A. Peterson, as treasurer of the State of Wisconsin; William D. Hale, as receiver of American Savings and Loan Association, appointed by the district court of Hennepin county, in the State of Minnesota, defendants. Answer of William D. Hale, as receiver of American Savings and Loan Association. Eugene G. Hay, att'y for def't, Minneapolis, Minn. Circuit court, Dane county, Wis. Filed Feb. 1, 1897. C. E.

Parish, clerk. Due and personal service of the within answer is hereby admitted Feb. 1, 1897. W. H. Mylrea, att'y for S. A. Peterson; Lewis & Briggs, att'ys for pl'ff and Rec. Clarke. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

131 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

And now comes M. C. Clarke, the receiver appointed in the above-entitled action, by Lewis, Briggs & Dudgeon, his attorneys, and demurs to the counter-claim set up in the answer in the above-entitled action by William D. Hale, as receiver, for the reason that upon the face thereof it does not state facts sufficient to constitute a counter-claim, because said counter-claim does not state facts sufficient to constitute a cause of action.

LEWIS, BRIGGS & DUDGEON,
Attorneys for Receiver M. C. Clarke.

(Endorsements:) Copy. State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* The American Savings and Loan Association *et al.*, defendants. Demurrer of M. C. Clarke, receiver, to counter-claim. Service of the within demurrer admitted this 19th day of Feb'y, 1897. Eugene G. Hay, att'y for def't Hale. Circuit court, Dane Co., Wis. Filed Feb. 25, 1897. C. E. Parish, clerk. Lewis, Briggs & Dudgeon, attorneys for receiver. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

132 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

And now comes the above-named plaintiff, by Lewis, Briggs & Dudgeon, his attorneys, and demurs to the counter-claim set up in the answer to the above-entitled action by William D. Hale, as receiver, for the reason that upon the face thereof it does not state

facts sufficient to constitute a counter-claim, because said counter-claim does not state facts sufficient to constitute a cause of action.

LEWIS, BRIGGS & DUDGEON,
Plaintiff's Attorneys.

(Endorsements:) Copy. State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* The American Savings and Loan Association *et al.*, defendants. Demurrer of plaintiff to counter-claim. Service of the within demurrer admitted this 19th day of Feb'y, 1897. Eugene G. Hay, att'y for def't Hale. Lewis Briggs & Dudgeon, plaintiff's attorneys. Circuit court, Dane Co., Wis. Filed Feb. 25, 1897. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

133 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants.

And now comes S. A. Peterson, as treasurer of the State of Wisconsin, by W. H. Mylrea, as attorney general, his attorney, and demurs to the counter-claim set up in the answer in the above-entitled action by William D. Hale, as receiver, for the reason that upon the face thereof it does not state facts sufficient to constitute a counter-claim, because said counter-claim does not state facts sufficient to constitute a cause of action.

W. H. MYLREA,
Attorney General.

(Endorsements:) Copy. State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* The American Savings and Loan Association *et al.*, defendants. Demurrer of S. A. Peterson to counter-claim. Service of the within demurrer admitted Feb'y 19, 1897. Eugene G. Hay, att'y for def't Hale. Filed Feb. 25, 1897. C. E. Parish, clerk. W. H. Mylrea, attorney general. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

134 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

The issues of law raised herein by the demurrer of M. C. Clarke, the receiver appointed by this court in the above-entitled action, to the counter-claim set up in the answer of William D. Hale, as receiver, coming on to be heard at the January, 1897, term of said court, and the same having been argued by counsel, Eugene G. Hay, Esq., appearing for the defendant William D. Hale, as receiver, and W. H. Mylrea, Esq., attorney general, appearing for the defendant S. A. Peterson, and Messrs. Lewis, Briggs & Dudgeon appearing for the plaintiff, L. V. Lewis, and for M. C. Clarke, as receiver, and the court being advised in the premises, it is—

Ordered that said demurrer to said counter-claim be, and the same hereby is, sustained, and that the defendant William D. Hale, as receiver, be allowed to amend and serve a copy of his amended counter-claim within twenty days after service of a copy of this order and payment of ten dollars' costs.

Dated April 10th, 1897.

By the court:

ROBERT G. SIEBECKER, *Judge.*

(Endorsements:) State of Wisconsin. Circuit court for Dane county. L. V. Lewis *vs.* American Savings and Loan Association *et al.* Order sustaining demurrer to counter-claim. Original filed and entered in Record Book 1, page 379, April 10, 1897. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

135 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

The issues of law raised herein by the demurrer of L. V. Lewis, the plaintiff in the above-entitled action, to the counter-claim set

up in the answer of William D. Hale, as receiver, coming on to be heard at the January, 1897, term of said court, and the same having been argued by counsel, Eugene G. Hay, Esq., appearing for the defendant William D. Hale, as receiver, and W. H. Mylrea, Esq., attorney general, appearing for the defendant S. A. Peterson, and Messrs. Lewis, Briggs & Dudgeon appearing for the plaintiff, L. V. Lewis, and for M. C. Clarke, as receiver, appointed by this court in the above-entitled action, and the court being advised in the premises, it is—

Ordered that said demurrer to said counter-claim be, and the same hereby is, sustained, and that the defendant William D. Hale, as receiver, be allowed to amend and serve a copy of his amended counter-claim within twenty days after service of a copy of this order and payment of ten dollars' costs.

Dated this 10th day of April, A. D. 1897.

By the court:

ROBERT G. SIEBECKER, *Judge.*

(Endorsements:) State of Wisconsin. Circuit court for Dane county. L. V. Lewis *vs.* American Savings and Loan Association *et al.* Order sustaining demurrer to counter-claim, etc. Original filed and entered. Record Book 1, page 380, April 10, 1897. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

136 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

The issues of law raised herein by the demurrer of S. A. Peterson, as treasurer of the State of Wisconsin, one of the above-named defendants, to the counter-claim set up in the answer of William D. Hale, as receiver, coming on to be heard at the January, 1897, term of said court, and the same having been argued by counsel, Eugene G. Hay, Esq., appearing for the defendant William D. Hale, as receiver, and W. H. Mylrea, Esq., attorney general, appearing for the defendant S. A. Peterson, and Messrs. Lewis, Briggs & Dudgeon appearing for the plaintiff, L. V. Lewis, and for M. C. Clarke, as receiver appointed by this court in the above-entitled action, and the court being advised in the premises, it is—

Ordered that said demurrer to said counter-claim be, and the same hereby is, sustained, and that the defendant William D. Hale, as receiver, be allowed to amend and serve a copy of his amended

counter-claim within twenty days after service of a copy of this order and payment of ten dollars' costs.

Dated this 10th day of April, A. D. 1897.

By the court:

ROBERT G. SIEBECKER,
Circuit Judge.

(Endorsements:) State of Wisconsin. Circuit court, Dane county. L. V. Lewis *vs.* American Savings and Loan Association *et al.* Order sustaining demurrer to counter-claim. Original filed and entered in Record Book 1, page 381. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

137 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

Please take notice that an order sustaining the demurrer of M. C. Clarke, the receiver appointed by this court in the above-entitled action, to the counter-claim set up in the answer of William D. Hale, as receiver, in the above-entitled action, a copy of which said order is hereunto annexed and served upon you, was entered in the office of the clerk of the circuit court for Dane county, Wisconsin, on the 10th day of April, A. D. 1897.

LEWIS, BRIGGS & DUDGEON,
Attorneys for M. C. Clarke, Receiver, Appointed by Circuit Court for Dane County in This Action.

To Eugene G. Hay, Esq., attorney for defendant William D. Hale, as receiver.

138 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

The issues of law raised herein by the demurrer of M. C. Clarke, the receiver appointed by this court in the above-entitled action, to the counter-claim set up in the answer of William D. Hale, as re-

ceiver, coming on to be heard at the January, 1897, term of said court, and the same having been argued by counsel, Eugene G. Hay, Esq., appearing for the defendant William D. Hale, as receiver, and W. H. Mylrea, Esq., attorney general, appearing for the defendant S. A. Peterson, and Messrs. Lewis, Briggs & Dudgeon appearing for the plaintiff, L. V. Lewis, and for M. C. Clarke, as receiver, and the court being advised in the premises, it is—

Ordered that said demurrer to said counter-claim be, and the same hereby is, sustained, and that the defendant William D. Hale, as receiver, be allowed to amend and serve a copy of his amended counter-claim within twenty days after service of a copy of this order and payment of ten dollars' costs.

Dated this 10th day of April, A. D. 1897.

By the court:

ROBERT G. SIEBECKER,
Circuit Judge.

(Endorsements:) State of Wisconsin. Circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Ass'n *et al.*, defendants. Notice of entry of order sustaining demurrer and copy of order. Service of a copy of within notice and order is hereby admitted this first day of May, 1897. Eugene G. Hay, att'y for def't W. D. Hale, as receiver. Original filed in circuit court, Dane county, Wis., May 8, 1897. C. E. Parish, clerk. Lewis, Briggs & Dudgeon, att'ys for M. C. Clarke, receiver. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

139 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

Please take notice that an order sustaining the demurrer of the plaintiff, L. V. Lewis, to the counter-claim set up in the answer of William D. Hale, as receiver in the above-entitled action, a copy of which said order is hereunto annexed and served upon you, was entered in the office of the clerk of the circuit court for Dane county, Wisconsin, on the 10th day of April, A. D. 1897.

LEWIS, BRIGGS & DUDGEON,
Attorneys for Plaintiff.

To Eugene G. Hay, Esq., attorney for defendant William D. Hale, as receiver.

140 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

The issues of law raised herein by the demurrer of L. V. Lewis, the plaintiff in the above-entitled action, to the counter-claim set up in the answer of William D. Hale, as receiver, coming on to be heard at the January, 1897, term of said court, and the same having been argued by counsel, Eugene G. Hay, Esq., appearing for the defendant William D. Hale, as receiver, and W. H. Mylrea, Esq., attorney general, appearing for the defendant S. A. Peterson, and Messrs. Lewis, Briggs & Dudgeon, appearing for the plaintiff, L. V. Lewis, and for M. C. Clarke, as receiver, appointed by this court in the above-entitled action, and the court being advised in the premises, it is—

Ordered that said demurrer to said counter-claim be, and the same hereby is, sustained, and that the defendant William D. Hale, as receiver, be allowed to amend and serve a copy of his amended counter-claim within twenty days after service of a copy of this order and payment of ten dollars costs.

Dated this 10th day of April, A. D. 1897.

By the court:

ROBERT G. SIEBECKER,
Circuit Judge.

(Endorsements:) State of Wisconsin, circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Ass'n *et al.*, defendants. Notice of entry of order sustaining demurrer and copy of order. Service of a copy of within notice and order is hereby admitted this first day of May, 1897. Eugene G. Hay, att'y for def't W. D. Hale, as receiver. Original. Filed in circuit court, Dane county, Wis., May 8, 1897. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

141 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

Please take notice—

That an order sustaining the demurrer of S. A. Peterson, as treasurer of the State of Wisconsin, and one of the defendants in the above-entitled action, to the counter-claim set up in the answer of William D. Hale, as receiver, in the above-entitled action, a copy of which said order is hereunto annexed and served upon you, was entered in the office of the clerk of the circuit court for Dane county, Wisconsin, on the 10th day of April, A. D. 1897.

W. H. MYLREA,
Attorney General,
Attorney for S. A. Peterson, as Treasurer of the State of Wisconsin.

To Eugene G. Hay, Esq., attorney for defendant William D. Hale, as receiver.

142 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
THE AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver, Defendants.

The issues of law raised herein by the demurrer of S. A. Peterson, as treasurer of the State of Wisconsion, one of the above-named defendants, to the counter-claim set up in the answer of William D. Hale, as receiver, coming on to be heard at the January, 1897, term of said court, and the same having been argued by counsel, Eugene G. Hay, Esq., appearing for the defendant William D. Hale, as receiver, and W. H. Mylrea, Esq., attorney general, appearing for the defendant S. A. Peterson, and Messrs. Lewis, Briggs & Dudgeon appearing for the plaintiff, L. V. Lewis, and for M. C. Clarke, as receiver, appointed by this court in the above-entitled action, and the court being advised in the premises, it is—

Ordered that said demurrer to said counter-claim be, and the same hereby is, sustained, and that the defendant William D. Hale, as receiver, be allowed to amend and serve a copy of his amended counter-

claim within twenty days after service of a copy of this order and payment of ten dollars costs.

Dated this 10th day of April, A. D. 1897.

By the court:

ROBERT G. SIEBECKER,
Circuit Judge.

(Endorsements:) State of Wisconsin, circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Ass'n *et al.*, defendants. Notice of entry of order sustaining demurrer and copy of order. Service of a copy of within notice and order is hereby admitted this first day of May, 1897. Eugene G. Hay, att'y for def't W. D. Hale, as receiver. Original. Filed in circuit court, Dane county, Wis., May 8, 1897. C. E. Parish, clerk. W. H. Mylrea, att'y gen., attorney for S. A. Peterson, as treas. of State of Wisconsin. Filed June 25, 1899. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

143 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County, of the State of Minnesota, Defendants.

Notice of Appeal.

Please take notice that William D. Hale, as receiver of the American Savings and Loan Association, one of the defendants above-named, hereby appeals to the supreme court of the State of Wisconsin from the order made in this action by the circuit court of Dane county aforesaid and from the whole thereof, which order was entered of record in said circuit court on the 10th day of April, 1897, sustaining the demurrer of L. V. Lewis, the above-named plaintiff, to the counter-claim set up in the answer of said William D. Hale, as receiver of the American Savings and Loan Association; from the order made in this action by the said circuit court and from the whole thereof, which order was entered of record in said circuit court on the 10th day of April, 1897, sustaining the demurrer of S. A. Petersen, as treasurer of the State of Wisconsin, one of the defendants above named, to the counter-claim set up in the answer of William D. Hale, as receiver of the American Savings and Loan Association, and from the order made in this action by said circuit court and from the whole thereof, which order was

entered of record in said circuit court on the 10th day of
144 April, 1897, sustaining the demurrer of M. C. Clarke, as receiver of the American Savings and Loan Association, appointed by said circuit court for Dane county, to the counter-claim set up in the answer of said William D. Hale, as receiver of the American Savings and Loan Association.

Dated the first day of May, 1897.

EUGENE G. HAY,
Attorney for William D. Hale, as Receiver of the American Savings and Loan Association.

To Lewis, Briggs & Dudgeon, Esquires, attorneys for L. V. Lewis, and M. C. Clarke, as receiver of the American Savings and Loan Association, and to W. H. Mylrea, Esq., attorney general, attorney for S. A. Peterson, as treasurer of the State of Wisconsin, and to C. E. Parish, clerk of the circuit court for Dane county.

(Endorsements:) State of Wisconsin, circuit court, Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Association *et al.*, defendants. Circuit court, Dane county. Filed May 8, 1897. C. E. Parish, clerk. Notice of appeal of William D. Hale, as receiver American Savings and Loan Association. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug.
145 30, 1899. Clarence Kellogg, clerk of supreme court Wis. Service of the within notice of appeal is hereby admitted this 4th day of May, 1897. Lewis, Briggs & Dudgeon, attorneys for L. V. Lewis and M. C. Clarke, as receiver of the American Savings and Loan Association. W. M. Mylrea, attorney general, attorney for S. A. Peterson, as treasurer of the State of Wisconsin.

146 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Respondent,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Respondents; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County, of the State of Minnesota, Appellant.

Undertaking on Appeal.

Whereas on the 10th day of April, A. D. 1897, orders were filed of record in the circuit court for Dane county aforesaid sustaining the demurrers theretofore filed by L. V. Lewis, S. A. Peterson, as treasurer of the State of Wisconsin, and M. C. Clarke, as receiver of the American Savings and Loan Association, the above-named respondents, to the counter-claim set up in the answer of William D.

Hale, as receiver of the American Savings and Loan Association, the appellant above named, and the above-named appellant, feeling aggrieved thereby, intends to appeal therefrom to the supreme court of the State of Wisconsin:

Now, therefore, we, Wayne Ramsay, of Madison, county of Dane and State of Wisconsin, and H. C. Geiger, of the city of Madison, county of Dane, State of Wisconsin, do hereby, pursuant to the statute in such case made and provided, undertake that the said appellant will pay all costs and damages which may be awarded against him on said appeal, not exceeding two hundred and fifty dollars.

WAYNE RAMSAY.
H. C. GEIGER.

STATE OF WISCONSIN, } ss:
County of Dane, }

147 Wayne Ramsay and H. C. Geiger, being first duly sworn, says, each for himself, that he is one of the subscribers to the foregoing undertaking; that he is a resident of the State of Wisconsin and is worth the sum of two hundred and fifty dollars, over and above all his debts and liabilities, in property within the State of Wisconsin not by law exempt from execution.

WAYNE RAMSAY.
H. C. GEIGER.

Subscribed and sworn to before me this 6th day of May, 1897.
JOHN J. REINKING,
Notary Public, Dane County, Wis.

(Endorsements:) State of Wisconsin, circuit court, Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Association *et al.*, defendants. Circuit court, Dane county, Wis. Filed May 8, 1897. C. E. Parish, clerk. Undertaking on appeal. Service of a copy of the within undertaking admitted the 6th day of May, 1897. Lewis, Briggs & Dudgeon, att'ys for pl'ff and rec'v'r Clarke. W. H. Mylrea, att'y gen. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1859. Clarence Kellogg, clerk of supreme court Wis.

148 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association; S. A. Peterson, as Treasurer of the State of Wisconsin, and William D. Hale, as Receiver of American Savings and Loan Association, Appointed by the District Court of Hennepin County, in the State of Minnesota, Defendants.

An appeal having been taken and perfected by the defendant William D. Hale, as receiver, from the orders of this court entered

on the 10th day of April, 1897, sustaining demurrers to the counter-claim set up in the answer of the said defendant, William D. Hale, as receiver, and it appearing to the court that the original papers in the above-entitled action should be kept on file in the office of the clerk of said court for reference thereto and for the necessary and convenient discharge by M. C. Clarke, the receiver of the defendant association, appointed as such by this court, of his duties as such receiver, it is—

Ordered that the clerk of said court transmit to the supreme court of the State of Wisconsin copies of the orders appealed from and of the original papers used by each party on the application for the orders appealed from, to wit, copies of the following papers:

Summons.

Complaint.

Affidavit and orders to show cause why receiver should not be appointed.

149 Affidavit of service of same.

Answer of Sewell A. Peterson, as State treasurer.

Reply of plaintiff to answer of defendant Peterson,

Stipulation submitting issue between plaintiff and defendant Peterson.

Order appointing receiver.

Notice of filing and entering of order appointing receiver.

Affidavit of service of said order.

Notice of appearance of defendant association.

Petition of William D. Hale, as receiver, to be made a party to the action.

Order of court making Wm. D. Hale, as receiver, a party.

Answer and counter-claim of Wm. D. Hale, as receiver.

Demurrers of plaintiff M. C. Clarke, as receiver, and S. A. Peterson, as State treasurer, to answer and counter-claim of defendant William D. Hale, as receiver.

Orders sustaining each of said demurrers.

Notice of entry of said orders.

Dated at Madison, Wisconsin, this 26th day of May, A. D. 1897.

By the court:

ROBERT G. SIEBECKER,
Circuit Judge.

To Charles E. Parish, Esq., clerk of circuit court of Dane county, Wisconsin.

(Endorsements:) Filed and entered, Rec. Book 2, page 53, June 19, 1897. C. E. Parish, clerk. Filed June 25, 1897. Clarence Kellogg, clerk of supreme court Wis. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

150 Be it remembered that at a term of the supreme court of the State of Wisconsin, begun and held at the capitol, in Madison, the seat of government of said State, on the second Tuesday, to wit, on the 11th day of January, A. D. 1898, on the first day

of the term, to wit, on the 11th day, of January, A. D. 1898—present, John B. Cassoday, chief justice; John B. Winslow, Silas U. Pinney, Alfred W. Newman, and R. D. Marshall, justices of said court—the following proceedings were had *inter alia*, to wit:

L. V. LEWIS, Respondent,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. Peterson, as Treasurer of the State of Wisconsin, Respondents; William D. Hale, as Receiver of the American Savings and Loan Association, Appellant.

Appeal from Circuit Court, Dane County, State of Wisconsin.

This cause came on to be heard on appeal from the orders of the circuit court of Dane county, and was argued by counsel; on consideration whereof it is now here ordered and adjudged by this court that the orders of the circuit court of Dane county appealed from in this cause be, and the same are hereby, affirmed, with costs against the said appellant, taxed at the sum of sixty-five and $\frac{65}{100}$ dollars ($65.65).

STATE OF WISCONSIN, *ss:*

Supreme Court.

I, Clarence Kellogg, clerk of the supreme court of the State of Wisconsin, do hereby certify that I have compared the [SEAL.] above and foregoing with the original order and judgment of the court in the above-entitled cause, and that it is a correct transcript therefrom and of the whole thereof.

In testimony whereof I have hereunto set my hand and affixed the seal of said court, at Madison, this 17th day of February, A. D. 1898.

CLARENCE KELLOGG,
Clerk of the Supreme Court of the State of Wisconsin.

151 (Endorsements:) State of Wisconsin, supreme court. L. V. Lewis, respondent, against American Savings and Loan Association *et al.*, respondents; William D. Hale, as receiver, appellant. Remittitur. Circuit court, Dane county, Wis. Filed Feb. 17, 1898. C. E. Parish, clerk. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

152 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association; S. A. Peterson, as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County, of the State of Minnesota, Defendants.

The above-entitled case came regularly on for hearing, plaintiff being represented by Erdall & Swansen, and the defendants Clarke & Peterson being represented by the same firm, and the defendant Hale being represented by Hay & Van Campen, and the said defendant, Hale, having failed and refused to amend his counter-claim set up in his answer, but announced in open court that he elects to stand on the record as heretofore made:

It is therefore ordered that judgment be entered that the defendant Hale take nothing by this action, and that the plaintiff have judgment against said defendant, Hale, for his costs.

By the court:

ROBERT G. SIEBECKER, *Judge.*

(Endorsements:) State of Wisconsin, circuit court, Dane county L. V. Lewis, plaintiff, *vs.* American Savings and Loan Association *et al.* Order for judgment. Filed and entered, Rec. Book 6, page 364, July 29, 1899. A. T. Torgeson, clerk. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

153 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association; S. A. Peterson, as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County, of the State of Minnesota, Defendants.

This case having been regularly on the calendar of the above-named court for the June, 1899, term thereof, came on for trial before the court without a jury, and the defendant Hale having failed and refused to amend the counter-claim set up in his answer, and the court, being fully advised in the premises, did, on the 29th day

of July, 1899, duly make and file its order directing judgment against the defendant Hale and in favor of the plaintiff.

Now, pursuant to said order and on motion of Erdell & Swansen, attorneys for the plaintiff, it is hereby adjudged that the said defendant, Hale, take nothing by this action, and that the plaintiff recover of said defendant, Hale, the sum of $60.03 costs and disbursements as taxed.

By the court:

ROBERT G. SIEBECKER, *Judge.*

(Endorsements:) State of Wisconsin, circuit court for Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Association *et al.*, defendants. Judgment. Filed and entered, Rec. Book 6, page 365, July 29, 1899. A. T. Torgeson, clerk. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

154 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association; S. A. Peterson, as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County, of the State of Minnesota, Defendants.

It is hereby stipulated by and between M. C. Clarke, as receiver of the American Savings and Loan Association, appointed by the circuit court for Dane county, Wisconsin, and William D. Hale, as receiver of the American Savings and Loan Association, appointed by the district court of Hennepin county, Minnesota, by and through their respective attorneys, that inasmuch as the original record and judgment-roll in the above-entitled action is required to be retained for use by said M. C. Clarke in the conduct of said receivership that upon an appeal from the judgment heretofore rendered in said action copies of said judgment-roll and of said record may be transmitted to the Supreme Court upon appeal in lieu of the originals thereof.

ERDALL & SWANSEN,
Attorneys for M. C. Clarke, as Receiver of the American Savings and Loan Association.
HAY & VAN CAMPEN,
Attorneys for William D. Hale, as Receiver of the American Savings and Loan Association.

(Endorsements:) Filed and entered, Rec. Book 6, page 366, Aug. 29, 1899. A. T. Torgeson, clerk. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court.

155 STATE OF WISCONSIN:

Circuit Court for Dane County.

L. V. LEWIS, Plaintiff,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION, Formerly Doing Business under the Name of American Building and Loan Association; S. A. Peterson, as Treasurer of the State of Wisconsin; William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County, of the State of Minnesota, Defendants.

Upon the foregoing stipulation, and it appearing to the court that notice of appeal has been served in the above-entitled action—

It is hereby ordered that the clerk of this court be, and he hereby is, directed to transmit to the supreme court upon the appeal of this action copies of the judgment-roll and record herein in lieu of the originals thereof.

By the court:

ROBERT G. SIEBECKER, *Judge.*

(Endorsements:) State of Wisconsin, circuit court, Dane county. L. V. Lewis, plaintiff, *vs.* American Savings and Loan Association *et al.* Stipulation and order directing copy of record to be transmitted upon appeal. Filed and entered, Rec. Book 6, page 367, Aug. 29, 1899. A. T. Torgeson, clerk. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

156 STATE OF WISCONSIN, *Dane County,* } *ss:*

In Circuit Court for Dane County.

I, Mary Grane, deputy clerk of said court, do hereby certify that the foregoing and annexed paper-writing are the original notice of appeal and waiver of undertaking on appeal, and are true and correct copies of the original summons, complaint, order to show cause, affidavit of service of same, answer of Sewall A. Peterson, reply of plaintiff to defendant Peterson's answer, stipulation submitting issue between plaintiff and defendant Peterson, order appointing receiver, notice of filing and entering order, affidavit of service of order, appearance of defendant association, petition of Receiver Hale to be made a party to the action, order of court making Receiver Hale a party, answer of Receiver Hale, demurrer of Clarke, receiver; demurrer of plaintiff, demurrer of defendant Peterson, order of court sustaining Receiver Clarke's demurrer, order of court sustaining plaintiff's demurrer, order of court sustaining defendant Peterson's demurrer, notice of entry of order sustaining Receiver Clarke's demurrer, notice of entry of order sus-

taining plaintiff's demurrer, notice of entry of order sustaining defendant Peterson's demurrer, notice of appeal by Receiver Hale from the orders sustaining the demurrers of defendant Peterson, Receiver Clarke, and the plaintiff; undertaking on appeal from orders sustaining demurrers, order of court directing clerk to transmit to the supreme court of Wisconsin copies of the orders appealed from and of the original papers used by each party on the application for the orders appealed from, remittitur from the supreme court of the State of Wisconsin, order for judgment, and judgment; which said copies are transmitted pursuant to the original order of court hereunto annexed, and which original papers have been filed in my office in the action wherein L. V. Lewis is plaintiff and The
157 American Savings and Loan Association *et al.* are defendants; that the same are hereby transmitted to the justices of the supreme court of the State of Wisconsin, in pursuance of said notice of appeal, and that there *is* hereby so transmitted copies of all papers used by both parties upon which judgment herein was entered.

In testimony whereof I have hereunto set my hand and affixed the seal of said court at the city of Madison, in said county, this 30th day of August, A. D. 1899.

MARY GRANE,
[SEAL.] *Deputy Clerk of the Circuit Court.*

(Endorsement:) Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

158 STATE OF WISCONSIN:

Supreme Court, August Term, A. D. 1899.

L. V. LEWIS, Plaintiff and Respondent,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. PETERSON, Treasurer of the State of Wisconsin, Defendants and Respondents, and William D. Hale, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County and State of Minnesota, Defendant and Appellant.

It is hereby stipulated by and between the parties hereto, by their respective attorneys, that the printing and serving of the record herein be, and the same is hereby, waived.

It is further stipulated by and between the parties hereto, by their respective attorneys, that the above-entitled cause may be immediately placed upon the calendar of the August, A. D. 1899, term of the above-entitled court and upon the first assignment of said term, and that the same may be immediately submitted to the court upon

the written assignment of errors herewith, filed by the defendant and appellant, William D. Hale, without argument.

ERDALL & SWANSEN,
Attorneys for Plaintiff and Resp-ndent.
E. R. HICKS,
Att'y General, Attorney for State Treasurer of the State of Wisconsin.
ERDALL & SWANSEN,
Attorneys for M. C. Clarke, Receiver.
HAY & VAN CAMPEN,
Attorneys for William D. Hale, Defendant and Appellant.

159 (Endorsements:) Original. State of Wisconsin, supreme court. L. V. Lewis, plaintiff and respondent, *vs.* William D. Hale, receiver of the American Savings and Loan Association, defendant and appellant. Stipulation. Filed Aug. 30, 1899. Clarence Kellogg, clerk of supreme court Wis.

160 STATE OF WISCONSIN:

Supreme Court, August Term, A. D. 1899.

L. V. LEWIS, Plaintiff and Respondent,
vs.
AMERICAN SAVINGS & LOAN ASSOCIATION and S. A. PETERSON, as Treasurer of the State of Wisconsin, Defendants and Respondents, and William D. Hale, as Receiver of the American Savings & Loan Association, Appointed by the District Court of Hennepin County and State of Minnesota, Defendant and Appellant.

William D. Hale, as receiver of the American Savings & Loan Association, defendant and appellant, for his assignment of errors herein says:

1st. That the court erred in rendering judgment for the plaintiff and against the defendant William D. Hale for the reason that the law of the State of Wisconsin, to wit, section 2014 A, Sanborn & Berryman's Annotated Statutes, is repugnant to the Constitution of the United States and invalid in this, that said law is in conflict with section 2 of article 4 of the Constitution of the United States.

2nd. The court erred in rendering judgment in favor of the plaintiff and against the defendant William D. Hale for the reason that by said judgment privileges and immunities are granted to the citizens of Wisconsin which are denied to the defendant William D. Hale and the citizens of the several States other than the State of Wisconsin, represented by him.

3rd. The court erred in rendering said judgment in favor of the plaintiff and against the defendant William D. Hale for the reason that the statutes of the State of Wisconsin upon which said judgment is based, to wit, section 2014 A, Sanborn & Berryman's Annotated Statutes of the State of Wisconsin, is invalid and repugnant

to the Constitution of the United States, in that said law im-
161 pairs the obligation of the contracts entered into between the American Savings & Loan Association and the 162 shareholders of said association, residents of Wisconsin, who became such shareholders prior to the passage of said law, and impairs the obligation of the contracts entered into by said association with each and every of the shareholders thereof, in whatever State residing, and impairs the obligation of the contracts entered into by each of the shareholders of said association with each other upon becoming shareholders of said association, and is therefore in conflict with section 10 of article 1 of the Constitution of the United States.

HAY & VAN CAMPEN,
Attorneys for Appellant.

162 [Endorsed:] State of Wisconsin, supreme court. L. V. Lewis, plaintiff and respondent, *vs.* American Savings & Loan Association *et al.*, defendants and respondents, and William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin Co., State of Minnesota, defendant and appellant. Assignments of error.

163 And afterward, to wit, on the fifth day of September, A. D. 1899, the same being the second day of said term, the following proceedings were had herein in the words and figures following—that is to say:

Dane Circuit Court.

L. V. LEWIS, Respondent,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. PETERSON, as Treasurer of the State of Wisconsin, Respondents; William D. Hale, as Receiver of the American Savings and Loan Association, Appellant.

And now, at this day, came the parties herein, by their attorneys, and, upon the stipulation of the attorneys heretofore filed herein moved the court now here to place this cause upon the calendar of the present term of this court and upon the first assignment of said term, and submit the same to the court upon the written assignment of errors filed herein, without oral argument, waiving the printing of case and briefs; and the court being now sufficiently advised of and concerning the same, it is now here ordered and adjudged by this court that said motion be, and the same is hereby, granted.

164 And afterward, to wit, on the twenty-sixth day of September, A. D. 1899, the same being the eleventh day of said term, the court rendered its judgment in said cause in the words and figures following—that is to say:

Dane Circuit Court.

L. V. LEWIS, Respondent,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. Peterson, as Treasurer of the State of Wisconsin, Respondents; William D. Hale, as Receiver of the American Savings and Loan Association, Appellant.

Opinion by Justice Winslow.

This cause came on to be heard on appeal from the judgment of the circuit court of Dane county, and was submitted by counsel; on consideration whereof it is now here ordered and adjudged by this court that the judgment of the circuit court of Dane county in this cause be, and the same is hereby, affirmed with costs against the said appellant, taxed at the sum of — dollars.

165 Whereupon the following opinion was filed in said cause by Justice Winslow in the words and figures following—that is to say:

L. V. LEWIS, Respondent,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. PETERSON, as Treasurer of the State of Wisconsin, Respondents; William D. Hale, as Receiver of the American Savings and Loan Association, Appellant.

WINSLOW, *J.*:

This is an appeal by the defendant Hale as receiver from a judgment dismissing his counter-claim.

The sufficiency of this counter-claim was passed upon by this court when the case was here upon appeal from the order sustaining a demurrer thereto (Lewis *vs.* A.S. & L. A. *et al.*, 98 Wis., 203). When the case was remitted to the trial court the defendant Hale elected to stand upon his counter-claim, and thereupon the judgment was rendered from which this appeal is taken.

It is unnecessary to restate the grounds upon which the counter-claim was held insufficient. They will be found fully stated in the former opinion, which may be regarded as expressing our present views, and for those reasons the present judgment must be affirmed.

By the COURT: Judgment affirmed.

166 *Opinion of Justice Pinney on Appeal from Order Sustaining Demurrer, Filed January* 11, 1898, *and Referred to in the Foregoing Opinion of Justice Winslow.*

L. V. LEWIS, Respondent,
vs.
AMERICAN SAVINGS AND LOAN ASSOCIATION and S. A. PETERSON, as Treasurer of the State of Wisconsin, Respondents; William D. Hale, as Receiver of the American Savings and Loan Association, Appellant.

The American Building and Loan Association was incorporated and organized April 15, 1887, under and by virtue of the laws of Minnesota, as a building and loan association, having its principal office and place of business at Minneapolis, Minn., and it continued to transact its corporate business there until 1893, when its corporate name was changed to that of the American Savings and Loan Association. The general nature of its business was declared to be "to assist its members in saving and investing money and in buying and improving real estate and in procuring money for other purposes, by loaning or advancing under the mutual building society plan, to such of them as might desire to anticipate the ultimate value of their shares, funds accumulated from the monthly contribution of its stockholders, and also such other funds as may from time to time come into its hands." The government of the corporation and the management of its affairs was vested in a board of seven directors, elected by the stockholders. Membership was acquired by taking stock in the company and paying the prescribed admission fee. The directors were authorized "to enter into such contracts and agreements and appoint such agents for its business management as they may deem for the best interest of its affairs;" and the directors "might sell and dispose of the mortgages held by the corporation whenever they might deem best and as provided by the by-laws." No by-laws were ever passed on this
167 subject. July 11, 1889, the articles of incorporation were amended so as to provide that "the board of directors shall not sell or dispose of any of the mortgages held or owned by this corporation." The principal question presented by the appeals is as to the construction, validity, and effect of the law of Wisconsin requiring foreign mutual building and loan associations to make a deposit of securities of the value of $100,000 with the State treasurer of Wisconsin as a condition upon which such corporation might receive a license from and do business in the State. The statute—S. & B. Stat., secs. 2014, 2014*b*—provides that "no foreign building and loan association shall issue its shares, receive moneys, or transact any business in this State, unless such association shall have and keep on deposit with the State treasurer of Wisconsin, in trust for the benefit and security of its members in this State, the securities of the actual cash value of $100,000 of the kind mentioned in section 2 of this act, to be approved and accepted by said State treas-

urer, and held in trust as aforesaid, until all shares of such association held by residents of this State shall have been fully redeemed and paid off by such association and until its contracts and obligations to persons and members residing in this State shall have been fully performed and discharged," and it was provided that "if any securities on deposit as provided in this act are wholly or partially extinguished by payments on the same or otherwise, or such securities depreciate in value for any cause, new securities must be added, so that the deposit may at all times be kept good and of the value of $100,000." The defendant association was doing business in this State from the time of the passage of the above act, having 246 members in Wisconsin, 162 of whom became such prior to the date on which the law went into force, to wit, April 19, 1889. The plaintiff Lewis, a resi-
dent of Wisconsin, the holder of five shares of stock, upon
168 which $243 had been paid, alleging that there are a large
number of residents and citizens of the State of Wisconsin legal members owning and holding stock in the defendant association, whose names he was unable to get, or their post-office address, charged that the defendant association was insolvent; that a large part of its assets had been improvidently invested and squandered, and that on the application of a creditor or creditors thereof residing in Minnesota, William D. Hale, the appellant, had been appointed receiver of all the property of the defendant association by the courts of Minnesota in proceedings initiated therein; that under the laws of Wisconsin the defendant was entitled to withdraw all the securities deposited with the State treasurer and substitute other and similar securities therefor, and that during the year then passed the defendant association had withdrawn a large portion of the securities theretofore duly deposited with the State treasurer of Wisconsin and substituted in their stead other securities; that such securities so deposited consist in large part of mortgages upon real estate, which are likely to depreciate in value unless enforced according to law, and that the only property of said association in Wisconsin was the securities aforesaid, which if not preserved and properly cared for and converted into cash, it would be impossible for resident members of said association to recover back moneys paid into said association; that it was necessary for the protection of the rights of the plaintiff and of the members and stockholders in said defendant association resident in the State of Wisconsin that a receiver for the defendant association in Wisconsin should be appointed, in order to ascertain all of the members and stockholders in said association residing in Wisconsin and the amount of their respective claims and to convert into money the securities so deposited for their protection and distribute the same to such per-
sons as may be entitled thereto under the direction and super-
169 vision of the court, and an injunction was sought restraining
the defendant Peterson, as State treasurer, from in any manner parting with the custody and control of said securities and permitting any withdrawal or substitution of the same. Judgment was prayed that said securities so held be sequestrated and distributed among the members and stockholders of said association

who are residents of the State of Wisconsin, including the plaintiff, according to law; that a receiver or receivers to take charge thereof and convert the same into money, with the usual powers and authority, be appointed. An injunction restraining and enjoining all persons from proceeding in any manner or way to obtain a lien on said securities and from in any manner interfering with or intermeddling with the same was prayed for, and that the court direct notice to be given, as it might deem proper, requiring all members and stockholders of said association who are residents of the State of Wisconsin to submit their claims and become parties to the action within such reasonable time as might be fixed by the court, and for such other and further relief, &c. In addition to these facts it appeared from the pleadings that some time prior to May 10, 1889, the defendant association deposited with the State treasurer of the State of Wisconsin, in trust for the benefit and security of all its members in that State, securities consisting of mortgages taken by it in the course of its business to the actual cash value of $100,000, which were duly approved and accepted by such treasurer, and which had since been held in trust by him and his successors in office under the laws of this State relating to foreign building and loan associations, by which the State treasurers are required to hold such securities until all shares of stock in said association shall have been fully redeemed and paid off by the defendant association and until all contracts and obligations of the defendant asso-
170 ciation to members and persons residing in the State of Wisconsin shall have been fully performed and discharged; that the defendant Peterson, as such State treasurer, holds said securities in his custody under said trust to the face value of $113,891.80. The appellant, William D. Hale, who had been appointed by the district court of Hennepin county receiver for said association, petitioned the court to be made a defendant in the action in the circuit court for Dane county, and it was ordered accordingly, and he interposed an answer and counter-claim, in which he admitted that the association was duly licensed by the State of Wisconsin to do business in said State in the year 1889, which said license was continued from time to time thereafter until the first day of January, 1894. The plaintiff and the defendant S. A. Peterson, as treasurer, etc., and M. C. Clarke, the receiver appointed by the circuit court of Dane county, Wisconsin, demurred to said answer and counter-claim. Orders were entered sustaining the demurrers, from which the defendant William D. Hale, the receiver appointed by the Minnesota court, appealed. The board of directors of the defendant association passed a resolution May 1, 1889, as follows: "Resolved, that the State treasurer of Wisconsin be made a depository of the association for temporary convenience in complying with the law of Wisconsin in regard to the deposit of securities, $100,000; also resolved, that the association comply with the Wisconsin law as soon as possible." The counter-claim alleged (1) that the mortgages belonging to the American Savings and Loan Association in the possession of S. A. Peterson, State treasurer, at the time of making and filing plaintiff's complaint aggregated in value the

sum of $145,234; that prior to the 11th of July, 1889, there *was* delivered to said Peterson, as such treasurer, mortgages of said association aggregating in value the sum of $103,060, of which there remained in his hands at the time of making and filing the plaintiff's complaint, as a part of the mort-
171 gages first above stated, mortgages aggregating in value the sum of $20,784, and between July 11, 1889, and the first of January, 1894, there *was* of the mortgages above stated as in the possession of said State treasurer at the time of making and filing the complaint, delivered to him at various times, mortgages aggregating $80,850, and after January 1, 1894, there was delivered to him the remainder of said mortgages which were in his possession at the time of the making and filing of said complaint, aggregating in value the sum of $43,600; that of the mortgages delivered to him subsequent to the 11th day of July, 1889, a large part thereof were delivered to him in lieu of mortgages in his possession prior to said date which had been by him surrendered to said association, and the remainder thereof were delivered to him as an addition to those delivered prior to that date; (2) that all of said mortgages are regular building and loan association mortgages made and executed by shareholders and members of said association to secure the payment by said members of their regular instalments of dues upon their stock, upon which said stock they had been granted an advancement or loan and to secure the payment of the amount of such loan, and that they were non-negotiable and could not be transferred by said association; (3) that being a mutual building and loan association, it had no power or authority at any time to pledge, transfer, assign, sell, or dispose of any of its mortgages, and that none of said mortgages were deposited with said State treasurer by said association, but were given and delivered to him by officers and employés of said association who were not authorized by said association to so deliver the same, and that they kept in the books of said association a statement or account of said mortgages so delivered to said treasurer; (4) that said mortgages and each of them held by the State treasurer at the time of making and filing
172 the complaint were held by him wrongfully and without right or authority of law for said possession; that the shareholders had no knowledge whatever of the delivery of said mortgages, nor did they at any time consent thereto or acquiesce therein; that the only action ever taken by said association relative to making a deposit with the State treasurer of Wisconsin was taken by its board of directors on the first of May, 1889, at a call meeting of said board, as hereinbefore stated. The entire number of shareholders residing in Wisconsin when the action was commenced was 246, 162 of which had become such prior to the time when the Wisconsin statute took effect; (5) the Wisconsin shareholders, on becoming members, etc., subscribed for their shares of stock in the same manner and received like certificates therefor as did all the other shareholders of said association wheresoever residing, and that said association was a mutual corporation, and that each shareholder therein, including the plaintiff, and "all the other shareholders in

Wisconsin enjoyed and were subject to like rights, privileges, immunities, and liabilities that other members enjoyed;" (6) that under its articles of incorporation none of the shareholders of the association did or could have higher or superior rights than those enjoyed by all; that at the date of appellant's appointment it had shareholders in 35 States, owned real estate in 19 States, and held mortgages on real estate in 29 States; (7) that the association had violated certain laws of the State of Minnesota, had become insolvent and incapable of effectuating the object for which it was organized and created, and incapable of carrying out its contracts and obligations, and that the appellant, William D. Hale, was duly appointed, pursuant to the statutes of Minnesota, as fully set forth, by the district court of Hennepin county, general receiver of such association in an action wherein The State of Minnesota, on the relation of its attorney general, was plaintiff and said association was defendant,
173 and that the order appointing him required him to take charge of all the property and effects of such association, to collect, sue for, and recover all debts, dues, and demands that were due said association, and to manage and administer all the affairs of said association under the direction of said court; that pursuant to said order and appointment the said association executed and delivered to the receiver, William D. Hale, deeds of all the real estate owned by it, and due and sufficient assignments of all its property, including said mortgages herein referred to as being in the possession of said Peterson, as treasurer of the State of Wisconsin, on the 14th day of January, 1896; (8) that M. C. Clarke on the 5th of February, 1896, was by the order of the circuit court of Wisconsin for Dane county appointed receiver of said association for the State of Wisconsin, and the defendant S. A. Peterson, State treasurer, was ordered and directed to turn over all the said mortgages referred to in the plaintiff's complaint and specified in the answer and counter-claim to said Clarke, as such receiver, and that the said Peterson had turned over and delivered the same accordingly, and that said Clarke was proceeding to collect the same, and would, unless interfered with by the court, distribute the proceeds of the same to the shareholders resident in Wisconsin, thereby giving to said Wisconsin shareholders a preference over the other shareholders of said association; (9) that the assets of the association are not sufficient to pay to all its shareholders dollar for dollar of the amount which they had paid in or any other or greater sum than forty per cent. thereof; that if said Clarke, acting as receiver, should collect said moneys and distribute the proceeds thereof to the Wisconsin shareholders they would receive dollar for dollar of the amount they paid in to said association, and thereby be constituted a preferred class of shareholders, against equity
174 and good conscience and contrary to the purposes of said association, as defined by its articles of incorporation, by-laws, and contracts for membership with its shareholders, and, finally, that the law under which it is alleged said mortgages were deposited was intended to protect said Wisconsin shareholders in all their rights growing out of their membership in said association and not

for the purpose of extending, altering, or changing said rights; that the purpose for which any deposit made by said association with said State treasurer under said law was made terminated and was at an end when said association became insolvent and incapable of carrying out its contracts and effectuating the purposes of its being. The defendant prayed that the court might by its decree direct said Clarke, as such receiver, to turn over and deliver said mortgages so held by him to said William D. Hale, to be by him collected and the proceeds equitably distributed to all the shareholders wherever residing, and for general relief.

PINNEY, *J.*:

The principal question presented by these appeals is as to the construction, validity, and effect of the law of Wisconsin requiring foreign mutual building and loan associations to make a deposit of securities of the value of $100,000 with the State treasurer as a condition upon which such corporations may receive a license from and transact business in this State. The statute, sec. 2014, 2014*b*, S. & B. Stat., provides that "no foreign building and loan association shall issue its shares, receive moneys, or transact any business in this State unless such association shall have and keep on deposit with the State treasurer of Wisconsin, in trust for the benefit and security of all its members in this State, the securities of the actual cash value of $100,000 of the kind mentioned in section 2 of this act, to be approved and accepted by said State treasurer and held in trust as aforesaid, until all shares of such association held by resi-
175 dents of this State shall have been fully redeemed and paid off by such association and until its contracts and obligations to persons and members residing in this State shall have been fully performed and discharged." The deposit is required at all times to be kept good and of the value of $100,000. The defendant corporation, in order to be allowed to enter the State and transact its proper business as a building and loan association therein and to obtain a license to that end, as it did May 10, 1889, which was renewed from time to time and continued in force during the entire period it transacted business in said State, deposited with the State treasurer of Wisconsin, as it appears, its mortgage securities taken in the course of its business to the required amount. The defendant corporation was a foreign corporation created and existing under the laws of the State of Minnesota, located and having its principal office in Minneapolis. The general nature of its business was "to assist its members in saving and investing money, in buying real estate, and in procuring money for other purposes by loaning or advancing under the mutual building society plan." By art. 6 of its articles of association the government of the corporation and the management of its affairs was vested in a board of seven directors chosen from and by the stockholders. By its amended articles of association adopted July 31, 1889, art. 19, it was provided that "the board of directors may sell and dispose of the mortgages

held by this corporation whenever they may deem best and as provided by the by-laws;" but no by-laws on the subject were adopted. Art. 16 of the same date provided that "the directors of this corporation may enter into such contracts and agreements and appoint such agents as they may deem best for the interest of its affairs." Art. 19 was amended July 11, 1889, so as to read as follows: "The board of directors shall not sell or dispose of any of the
176 mortgages owned by this corporation." The Minnesota statute, ch. 236 of the General Laws for 1889, which became a law April 22nd of that year, before the defendant corporation was licensed to do business in Wisconsin, as amended June 1, 1891, and embodied in R. S. Minnesota, sec. 2860, provided in substance that every building and loan association governed by the act should deposit and keep with the State auditor or a trust company all mortgages or other securities received by it in the usual course of business, and that whenever required by the laws of any other State, Territory, or nation its securities sufficient to allow such association to enter and do business in such State, Territory, or nation might be deposited with some officer authorized to receive the same in such State, Territory, or nation under the laws thereof for the benefit of its members and creditors. Provisions were made regulating the transfer accordingly, which are so extended as not to admit of convenient quotation; but they seem to plainly recognize as lawful a deposit in another State of securities of the association in order to entitle it to a license to enter such State and transact its business therein. Suffice it to say that the provisions of the Minnesota statute seem designed to facilitate the convenient using and tracing of its securities deposited for the purpose indicated, and its provisions appear to be in the main directory. Compliance with it appears to be a matter of local administration and not a condition precedent to the right to use and deposit its securities for the purpose of entering and transacting business in such other State. Within twenty days after the enactment of the Wisconsin statute the corporation had constituted the State treasurer of Wisconsin "a depository for temporary convenience in complying with the laws of Wisconsin in regard to deposit of securities, $100,000," and resolved that it would "comply with the Wisconsin law as soon as possible." A license was issued to it pursuant to the statute,
177 and it was renewed or continued in force until January 1, 1894.

2. In view of the action of the defendant, through its board of directors, and the fact that it is conceded that the securities of the kind and character mentioned were held by the State treasurer of Wisconsin when the action was commenced to the amount of $145,234, we must conclude and hold that the mortgages in dispute were deposited with the State treasurer by the defendant corporation or by its authority in a *bona fide* attempt "to comply with the Wisconsin law," as it had already resolved to do, and had made the State treasurer of that State its depository for that purpose. The Wisconsin law required the deposit of securities under the act to be made with the State treasurer. The defendant corporation obtained

the prescribed license. It was required and it was its duty to deposit the securities mentioned to the amount of $100,000. This, it would seem, had been agreed should be done, and upon the facts disclosed by the record we think that it is a reasonable presumption that what was agreed to be done was done in the manner and for the purposes prescribed by the act. In Sparks *v.* National Masonic Accident Association, 69 N. W. Rep., 678, it was held that when a foreign insurance company is shown to have transacted business in a State where by the statute certain acts were to be done by that company before it had a right to transact business therein a conclusive presumption arises that the company has complied with the law in that respect. It is alleged in the counter-claim, in substance, that the provisions of the Minnesota statute were not complied with by the corporation defendant in making the deposits with the State treasurer of Wisconsin. The State authorities of Wisconsin in receiving these securities, as provided by the statute, were not bound to investigate the question of local administration or compliance with the law of Minnesota by the corporation
178 and State authorities. The allegations that the possession of the securities by the State treasurer was wrongful, and that they were delivered to him by officers and employés of the corporation without lawful authority, are legal conclusions. It was enough that the securities were, as it is conceded, the property of the corporation, and that its directors, who deposited them for the purpose indicated, had power "to enter into such contracts and agreements as they might deem for the best interests of its affairs," and that the directors in the exercise of their discretion desired to obtain a license to prosecute and carry on the business of the corporation in Wisconsin in order to realize the profits and advantages consequent upon such extension of its business, which, it appears, has been extended to 34 States. Heath *v.* Silverthorn Lead Mining Co., 39 Wis., 146.

3. It was within the power of the directors to determine upon and make the intended extension of the business of the corporation, and it was their duty and within their power as well to make the necessary deposit of its securities as required by the Wisconsin law, which was a condition precedent to the right of the corporation to obtain the desired license and transact its business in Wisconsin. In any view that may be taken of the case we think that the transaction was within the undoubted power of the corporation. The deposit was made accordingly, the license was issued, the defendant entered the State and carried on its business therein, and for a period of five years derived the benefits and advantages expected to result from such extension of its business and the protection and authority of the State. It was well understood by the corporation, its directors, officers, and members, that these securities had been deposited, and had so remained with the State treasurer under the pledge specified in the Wisconsin statute, and until financial dis-
179 aster and insolvency overtook the corporation. It could enter the State of Wisconsin and carry on its business only on complying with the terms and conditions of the Wisconsin

statute. Having the right to extend its business, it seems clear that it was not *ultra vires* the corporation to comply with the conditions upon which alone it could lawfully obtain a license to so enter the State and carry on its business, the prosecution of which was for the common advantage and profit of the corporation and of all its members and shareholders.

4. It is familiar law that the recognition of the existence of a corporation by any other than the State of its creation and the enforcement of its contracts made therein depend purely upon the comity of such other State or States: "A comity which is never extended where the existence of the corporation or the exercise of its powers are prejudicial to their interests or repugnant to their policy." "Having no right of recognition in other States, but depending for such recognition and enforcement of its contracts upon their assent, it follows, as a matter of course, that such assent may be granted upon such terms and conditions as those States may think proper to impose. They may exclude the foreign corporation entirely that may restrict its business to particular localities, or they may exact such security for the performance of its contracts with their citizens as in their judgment will best promote the public interests." "The whole matter rests in their discretion." This was so held by the Supreme Court of the United States nearly thirty years ago in Paul *v.* Virginia, 8 Wall., 168, 181; affirmed in that court by many subsequent cases, and as well by other courts of the highest respectability and authority. Hooper *v.* California, 155 U. S., 648, and cases cited; Relf *v.* Rundel, 103 U. S., 222, 225; Ins. Co. *v.* Raymond, 70 Mich., 485; Morse *v.* Home Ins. Co., 30 Wis., 496; State *ex rel.* Drake *v.* Doyle, 40 Wis., 175, 197; State *v.* Root, 83 Wis., 667, 680; Wyman *v.* Kimberly-Clark Co., 93 Wis., 554. In Hooper *v.* California, *supra*, the cases in the Supreme Court of the United States on the subject are collected and cited, and it was there stated that "the principle that the right of a foreign corporation to engage in business within a State other than that of its creation depends solely upon the will of such other State has been long settled, and many phases of its application have been illustrated by the decisions of this court. Whilst there are exceptions to this rule, they embrace only cases where a corporation created by one State rests its right to enter another and to engage in business therein upon the Federal nature of its business, as, for instance, where it has derived its being from an act of Congress and has become a lawful agency for the performance of governmental or quasi-governmental functions, or where it is necessarily an instrumentality of interstate commerce, or its business constitutes such commerce, and is, therefore, solely within the paramount authority of Congress. In these cases the exceptional business is protected against interference by State authority." In the case cited the court said: "The State of California has the power to exclude foreign insurance companies altogether from her territory, whether they were formed for the purpose of doing a fire or a marine business. She has the power, if she allows any such companies to enter her confines, to determine the conditions on which

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the entry shall be made, and as a necessary consequence of her possession of these powers she has the right to enforce any conditions imposed by her laws as preliminary to the transaction of business within her confines by a foreign corporation, whether the business is to be carried on through officers or through ordinary agents of the company, and she has also the further right to prohibit a citizen from contracting within her jurisdiction with any foreign company which has not acquired the privilege of engaging in business therein, either in his own be-
181 half or through an agent empowered to that end. The power to exclude embraces the power to regulate, to enact and enforce all legislation in regard to things done within the territory of the State which may be directly or incidentally requisite in order to render the enforcement of the conceded power efficacious to the fullest extent, subject always, of course, to the paramount authority of the Constitution of the United States." The doctrine thus established is, in our judgment, conclusive as to the validity of the pledge of the securities here in question, under the Wisconsin statute, and of the trusts therein specified. The defendant association clearly had the power to make the deposit as incident to the accomplishment of the purpose for which it was created. In North Hudson Mutual Building and Loan Association *v.* First National Bank, 79 Wis., 31, 36, this court held that a building and loan association might lawfully do those things reasonably necessary in order to accomplish the objects and purposes of its organization which were not expressly forbidden. In general, in exercising the powers conferred by its charter, a corporation may adopt any proper and convenient means tending directly to their accomplishment, and not amounting to the transaction of a separate unauthorized business. Clark *v.* Farrington, 11 Wis., 306; State *v.* Regents, etc., 54 Wis., 159; Madison Plank Road Co. *v.* Watertown Plank Road Co., 5 Wis., 173. The association defendant had not been forbidden to make the deposit of its securities taken in the course of its business to enable it to enter the State of Wisconsin or any other State and obtain a license to transact its business therein. It was the absolute owner of these securities, and it might lawfully so use them. It was required by the statute that "if any securities on deposit as provided by this act are wholly or partially extinguished by payment of the same or otherwise, or such secu-
182 rities depreciate in value for any cause, new securities must be added, so that the deposit may at all times be kept good and of the value of $100,000." The association defendant by accepting its license was bound to comply with the law, and in the absence of any allegations to the contrary it must be presumed that all mortgages deposited at or after the date of the license, May 10, 1889, were deposited for the purpose of complying with the law and keeping its deposit up to the required amount of $100,000. The subsequent amendment to the articles of incorporation, July 11, providing that "The board of directors shall not sell or dispose of any of the mortgages held or owned by the corporation," is relied on, but this provision must be construed, we think, in connection with the

statute of Minnesota, which, as already noticed, quite clearly contemplated that the securities of the association might be used and pledged, if need be, for the purpose of complying with the law under which it could enter to transact business in another State. It was not intended by this amendment to deprive the corporation of the power, by the use of its securities, to maintain and keep good its deposits in order to transact its business in the 34 States which it appears to have entered for that purpose. The more reasonable view would seem to be that the amendment was intended to prevent an absolute sale or traffic in its securities, and not a deposit of such securities for the purpose indicated. We arrive, therefore, at the conclusion that the deposit of securities in question made with the State treasurer for the purpose indicated was within the lawful power of the corporation as represented by its directors, and that the action of the directors in making it was binding upon the corporation and all its members to the extent and according to the terms of the statute under which it was made.

5. The deposit was, as we have said, within the power conferred upon the corporation and not in violation of the trust reposed
183 in the board of directors, that the affairs of the corporation should be managed and its property and funds applied solely for the purpose of carrying out the objects for which the corporation was created. It is well settled that a corporation cannot avail itself of the defence of *ultra vires* when the contract in question has been in good faith fully performed by the other party and the corporation has had the full benefit of the performance and of the contract. Much less will the claim that the transaction was *ultra vires* be allowed as a ground for rescinding the contract and restoring to the complaining party on that ground the property or funds with which he has parted, after he has had the benefit of full performance of the contract by the other party; and in general the plea of *ultra vires* will not be allowed to prevail, whether interposed for or against a corporation, when it will not advance justice, but, on the contrary, will accomplish a legal wrong. Kadish *v.* Loan and Building Association, 151 Ill., 531; Whitney Arms Co. *v.* Barlow, 63 N. Y., 62; National Bank *v.* Matthews, 98 U. S., 628, 629. "Where it is a simple question of capacity or authority to contract, arising either on a question of regularity of organization or of power conferred by the charter, a party who has had the benefit of the agreement cannot be permitted, in an action founded on it, to question its validity. It would be in the highest degree inequitable and unjust to permit the defendant to repudiate a contract the fruits of which he retains." Sedgwick Stat. and Const. Constr., sec. 73. In 2 Beach Priv. Corp., sec. 425, the subject is fully considered, and numerous modern authorities are cited showing that "where a contract has been in good faith fully performed, either by the corporation or the other party, the one who has received the benefit of it will not be permitted to resist its enforcement by the plea of a mere want of power." Darst *v.* Gale, 83 Ill., 136;
Savings Bank *v.* Elevator Co., 90 Mich., 550; The Holmes &
184 Griggs Co. *v.* Metal Co., 127 N. Y., 260; Rider Life Raft Co *v.* Roach, 97 N. Y., 378; Bradley *v.* Ballard, 55 Ill., 415; State.

Board *v.* R'y Co., 47 Ind., 407; Oil Creek R. R. Co. *v.* Pennsylvania R. R. Co., 83 Pa. St., 160, 166. The result of these views is that the receiver appointed by the circuit court for Dane county, Wisconsin, is entitled to retain the securities in question and to subject them under the order of the court to the fulfillment of the trust upon which they were so deposited, and to that end they may be sold or collected and the proceeds so applied, and any residue that may remain must be turned over to the appellant, the receiver appointed by the district court of Hennepin county, Minnesota. The corporation defendant, as well as its stockholders and its receiver appointed by the court in Minnesota, are estopped from disputing the validity of the trust upon which the State treasurer had received these securities and held them when the corporation became insolvent and this action was commenced. The corporation by its directors consented to and made the deposit, and their action became binding alike on members and stockholders in other States, and they have thus waived all right on legal or constitutional grounds to question the validity of the trust on which the securities are held as expressed in the statute.

6. We cannot perceive how it can be maintained that the contract clause of the Federal Constitution can be invoked to release these securities from the operation and effect of such pledge and estoppel, whatever view may be taken of the rights and relations of the entire body of stockholders as between themselves and the corporation. They have waived their right to insist upon the constitutional objection they urge against the Wisconsin statute or to question the validity of the trust. Whatever modification or change may have occurred in the contractual relations existing between these parties is the sole result of their lawful and proper consent or of
185 those who were chosen and fully empowered in law to represent them, namely, the board of directors, without whose authority the securities could not have been deposited or pledged under the statute. The right to invoke the contract provision of the Federal Constitution, we think, has been waived by them, and the case on this point falls strictly within the principle stated by Judge Cooley in his celebrated work on Constitutional Limitations, 214, where he states that "there are cases where a law in its application to a particular case must be sustained, because the party who makes objection has, by prior action, precluded himself from being heard against it. Where a constitutional provision is designed for the protection solely of the property rights of the citizen, it is competent for him to waive the protection and to consent to such action as would be invalid if taken against his will." And several instances of the application of this principle are given. The learned author states: "In these and the like cases the statute must be read with an implied proviso that the party to be affected shall assent thereto, and such consent removes all obstacle and lets the statute in to operate the same as if it had in terms contained the condition." There are many well-considered cases sustaining the position that a party may by his own act or conduct preclude himself from insisting upon constitutional objections to a statute affect-

ing his rights. The subject is discussed by Paine, J., in Burrows *v.* Bashford, 22 Wis., 104, where the opinion is expressed that it is not unconstitutional for the legislature to provide that a party may voluntarily subject himself to unconstitutional provisions as a condition to the enjoyment of a new advantage given by the act. So in the present case, in consideration of the benefits derived by the defendant corporation and its shareholders from the statute under consideration, in being allowed to enter the State and transact business therein, they must be precluded from insisting upon the
186 invalidity of the statute. Bank of Columbia *v.* Okely, 4 Wheat., 235; People *v.* Murray, 5 Hill, 468. A party may renounce a constitutional provision made for his benefit. Embury *v.* Connor, 3 N. Y., 511; Lee *v.* Tillotson, 24 Wend., 337. And having waived it, cannot subsequently ask for its protection. The views we have already expressed render the contention of the appellant in respect to the relations which the shareholders of a mutual building association ordinarily sustain to the corporation and to each other inapplicable, as well as the contention that the enforcement of the trust specified in the statute in these securities will destroy equality of right between the shareholders in general, rendering, as it is contended, the Wisconsin shareholders preferred shareholders.

7. Whatever the practical result of the enforcement of the trust in favor of Wisconsin shareholders, creditors, and others sustaining contractual relations with the corporation defendant may be, it rests, as we think and as we hold, upon the consent of the corporation and of its shareholders lawfully given, as it well might be in the present case, by and through its board of directors, for a valid consideration received by the corporation to the benefit and advantage of those now denying its validity. The right of the State of Wisconsin to pass and enforce the act for the better protection of its citizens and residents against irresponsible foreign corporations entering or desiring to enter the State and transact business therein with its citizens cannot, we think, be denied. We cannot assent to the position that the security afforded by the deposit required by the act and thus consented to and made by the corporation, through its directors, may be avoided or nullified at the instant when the necessity for retaining and enforcing it becomes imperative. If it was lawful to require and take the security, it is rightful and lawful to insist on it and enforce it according to the very terms and true meaning of the
187 act under which it was given. And insolvency of the corporation will not release the trust or discharge it. The language of the Wisconsin statute is free from doubt or ambiguity, and construction has no office to perform in respect to it. Its meaning and purpose is obvious, and it is the manifest duty of the court to give it full effect. This cannot be done without strictly applying the securities or their proceeds to the uses prescribed by the statute. This trust was not created for the benefit or indemnity of members, creditors, and shareholders of the defendant corporation generally, residing out of the State. These were not within its plan, purpose,

or policy. The deposit was required and made in pursuance of a wise State policy, solely for the benefit and indemnity of resident shareholders and creditors, and for their protection and advantage only. Language could not have been readily employed to have made the intention plainer than is expressed in the statute. To now turn these securities over to the appellant to the end that they may be collected and converted and the proceeds applied ratably in satisfaction of all the claims of shareholders and creditors generally, whether residents of Wisconsin or not, would, we think, be a manifest perversion of the trust and render the security and indemnity they were deposited to furnish resident shareholders and others indicated in the statute a mere delusion. We think that the demurrers to the appellant's answer and counter-claim were properly sustained.

By the COURT: The orders appealed from are affirmed.

188 In Supreme Court of the State of Wisconsin.

L. V. LEWIS, Plaintiff and Respondent,

vs.

AMERICAN SAVINGS & LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building & Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants and Respondents; William D. Hale, as Receiver of the American Savings & Loan Association, Appointed by the District Court of Hennepin County, State of Minnesota, Defendant and Appellant.

We consent that Erdall & Swansen, attorneys-at-law at Madison, Wisconsin, be substituted in this action in the place of Lewis, Briggs & Dudgeon, as attorneys for M. C. Clarke, receiver herein, and said L. V. Lewis, plaintiff and respondent.

Dated this 22d day of October, 1898.

M. C. CLARKE,
Receiver of the American Savings & Loan Association for the State of Wisconsin.

LEWIS, BRIGGS & DUDGEON,
Formerly Attorneys for said L. V. Lewis and said M. C. Clarke, Receiver of the American Savings & Loan Association.

189 In Supreme Court of the State of Wisconsin.

L. V. LEWIS, Plaintiff and Respondent,
vs.
AMERICAN SAVINGS & LOAN ASSOCIATION, Formerly Doing Business under the Name of the American Building & Loan Association, and S. A. Peterson, as Treasurer of the State of Wisconsin, Defendants & Respondents; William D. Hale, as Receiver of the American Savings & Loan Association, Appointed by the District Court of Hennepin County, State of Minnesota, Defendant and Appellant.

Upon reading and filing the annexed consent of M. C. Clarke, as receiver of said association, and Lewis, Briggs & Dudgeon, the attorneys of said L. V. Lewis, plaintiff and respondent, and said M. C. Clarke, receiver aforesaid, that Erdall & Swansen, of the city of Madison, State of Wisconsin, be substituted in place of said Lewis, Briggs & Dudgeon as attorneys for said L. V. Lewis and said M. C. Clarke, as receiver aforesaid, in this action:

Ordered that the substitution be, and it is hereby, made accordingly.

By the court:

[Seal Supreme Court of Wisconsin.]

CLARENCE KELLOGG, *Clerk.*

Dated this 22nd day of October, 1898.

190 WILLIAM D. HALE, as Receiver of the American Savings and Loan Association, Appointed by the District Court of Hennepin County, Minnesota, Plaintiff in Error,
vs.
L. V. LEWIS, S. A. PETERSON, Treasurer of the State of Wisconsin, and M. C. Clarke, Receiver of the American Savings and Loan Association, Appointed by the Circuit Court of Dane County, Wisconsin, Defendants in Error.

I, Clarence Kellogg, clerk of the supreme court of the State of Wisconsin, do hereby certify that the above and foregoing is a true and correct transcript of all the record and proceedings now on file and of record in my office, with all things concerning the same, in the above-entitled cause.

That the original writ of error, the petition therefor, the citation, with its service endorsed thereon; the assignment of errors, and a copy of the bond are appended to the return herein, and that they are all returned to the Supreme Court of the United States in obedience to the command of the writ of error hereto annexed.

In testimony whereof I have hereunto set my hand and affixed the seal of said court, at Madison, this 31st day of October, 1899.

[Seal Supreme Court of Wisconsin.]

CLARENCE KELLOGG,
Clerk of Supreme Court Wisconsin.

Endorsed on cover: File No., 17,552. Wisconsin supreme court. Term No., 151. William D. Hale, as receiver of the American Savings & Loan Association, appointed by the district court of Hennepin county, Minnesota, plaintiff in error, *vs.* L. V. Lewis, The Treasurer of the State of Wisconsin, and M. C. Clarke, receiver of the American Savings & Loan Association, appointed by the circuit court of Dane county, Wisconsin. Filed November 3rd, 1899.